# AGENDA

## HOUSING AND COMMUNITY DEVELOPMENT COMMISSION (HCDC) AD HOC COMMITTEE MEETING

Tara Beasley-Stansberry
Jared Bunde
Cassandra James
Christina Long

**THURSDAY, MARCH 3, 2022**
**7:00 P.M**
**VIA TELECONFERENCE**

## IMPORTANT NOTICE

Until further notice, meetings of the Housing and Community Development Commission or its Committees are being conducted using teleconference and electronic means, consistent with Vallejo City Council Resolution No. 22-006 N. C., adopted on January 11, 2022, regarding the COVID-19 pandemic. The public may only view the meetings on television and/or online and not in the Council Chambers. Details may be found at www.cityofvallejo.net.

**VIEW THE MEETING:** There are two different ways you can view this public meeting:

- Stream from the City website: www.cityofvallejo.net/Streaming
- Join the Zoom webinar: https://ZoomRegular.Cityofvallejo.net

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| | |
|---|---|
| | In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at dawn.abrahamson@cityofvallejo.net Notification at least 48 hours prior to a meeting will enable the City to make reasonable arrangements to ensure accessibility to that meeting. [28 CFR.35.102.35.104 ADA Title II]. The Vallejo Housing and Community Development Division may be contacted as follows: Tel: (707) 648-4507, Fax: (707) 648-5249, or e-mail: chari.barrera@cityofvallejo.net. The hearing impaired may call the California Relay Service at (800) 735-2922 without a TTY/TDD, or (800) 735-2929 with a TTY/TDD. |

## I. PRESENTATION FROM STAFF

## II. SOCIAL SERVICE AGENCY PRESENTATIONS, FISCAL YEAR (FY) 2022-23 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM FUNDING (All Times Approximate)

1. The House of Acts – Computer/GED Learning Program (7:15 p.m. to 7:25 p.m.)
2. Global Center for Success – Teaching Life Skills for Success Program (7:25 p.m. to 7:35 p.m.)
3. Community Housing Development Corporation (CHDC) – Housing Stability Counseling Program (7:35 p.m. to 7:45 p.m.)

## III. HOUSING AGENCY PRESENTATION, FY 2022-23 CDBG PROGRAM AND HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAM FUNDING

1. CHDC – Sonoma Estates Project (7:45 p.m. to 8:00 p.m.)

## IV. COMMENTS FROM COMMITTEE MEMBERS AND STAFF

## V. ADJOURNMENT

**AFFIDAVIT OF POSTING**

I, Chari Barrera, Housing and Community Development Commission Secretary, do hereby certify that I have caused a true copy of the above notice and agenda to be delivered to each of the members of the Housing and Community Development Ad Hoc Committee, at the time and in the manner prescribed by law and that this agenda was posted at City Hall, 555 Santa Clara Street, CA at 7:00 p. m. on February 23, 2022.

Dated 2/23/2022 Chari Barrera, Secretary Chari Barrera

# The House of Acts – Computer/GED Learning Program

**CITY OF VALLEJO CDBG PROGRAM APPLICATION**
**PUBLIC SERVICES ACTIVITIES (Social Services Activities)**
**Fiscal Year 2022-23** *Covers July 1, 2022 - June 30, 2023*

## APPLICATION INSTRUCTIONS AND GENERAL INFORMATION

Application Instructions: This Excel-based Application Worksheet includes five (5) "tabs" which comprise the full application (see bottom of screen to scroll between tabs). The tabs include: Instructions and General Info; Application Questions; Budget; Schedule; and Doc Requirements. Applicants must complete and submit all portions of the Application to the City of Vallejo.

**General Information Instructions:** Complete all information in shaded cells. Print tab when completed and provide signature where indicated.

| | |
|---|---|
| Agency General Name | House of Acts |
| Address 1 | 627 Grant Street |
| Address 2 | |
| City | Vallejo |
| State | CA |
| Zip | 94590 |
| Main Telephone Number | 707-553-1042 |
| Website Address | www.houseofacts.org |
| EIN (XX-XXXXXXX) | 68-0005684 |
| DUNS Number (XXXXXXXXXXXXX) | 78-829-2944 |

**CEO/Executive Director**

| | |
|---|---|
| First Name | Edmond |
| Last Name | Wade |
| Title | Director |
| Email | houseofactsada@comcast.net |
| Telephone | 707-553-1042 |

**Funding Request Summary and Program Contact**

| | |
|---|---|
| Activity/Program/Project Name | Computer/GED Learning Program |
| Amount of FY20 CDBG Requested | $50,000 |
| Program Contact First Name | Sheila |
| Program Contact Last Name | Nixon |
| Program Contact Telephone | 707-553-1042 |
| Program Contact Email | houseofactsada@comcast.net |

**Authorized Signature of Applicant submitting application**

| | |
|---|---|
| Full Name | Edmond Wade |
| Title | Director |
| Date: | February 8,2022 |
| Signature: | Edmond Wade |

**CITY OF VALLEJO CDBG PROGRAM APPLICATION**
**PUBLIC SERVICES ACTIVITIES (Social Services Activities)**
**Fiscal Year 2022-23** *Covers July 1, 2022 - June 30, 2023*

## APPLICATION QUESTIONS

**Instructions:** Respond to all questions indicated in shaded cells. Print tab when completed.

| Question # | Question Description | |
|---|---|---|
| 1 | **Enter the number of applications your agency is submitting for City of Vallejo CDBG Program funding. If more than one application, enter the numerical ranking of the priority of this proposal; e.g, "1 of 3" means you are submitting 3 applications and this one is the highest priority.** | 1 |
| 2 | **Enter the organization/agency type. Enter "X"** | |
| | Private, non-profit organization | x |
| | Public agency/department | |
| | Other | |
| 3 | **AGENCY DESCRIPTION: Provide description of the agency's mission and history, including number of years in existence. Describe agency's current strategic and/or operations plan.** | |
| | The House of Acts (HOA) was founded in 1989, the House of Acts is a 28-bed, faith based, nonprofit organization providing alcohol and drug treatment to clients in a residential setting, without discrimination due to race, color, national orgin, religion, political affililation, sexual orientation, disability or income. The House of Acts men's residential facilities are located at 627 Grant Street and 115 Teri Ct. The women's facility is located at 844 5th Street, Vallejo. The main office/facility is located at 627 Grant St., Vallejo, CA 94590. **MISSION STATEMENT -** The House of Acts is a Faith based organization designed to create an atmosphere of healing for those whose lives have been impaired by alcohol and other drugs. To provide literacy skills, computer training, GED education development, job readiness development classes, online college preparation and customer service training. To provide culturally relevant services to people of all ethnic and racial backgrounds. HOA is committed to recruiting, hiring and retaining people of all ethnic groups, which is reflective of the population we serve, including staff and volunteers who may have personal experience in recovering from substance abuse and/or have been previously incarcerated. | |
| 4 | **Is this a new project or activity?** | |
| | Yes | |
| | No | x |

| Question # | Question Description |
|---|---|
| 5 | **OTHER CDBG FUNDING: If your agency has never received CDBG funding from the City of Vallejo, please list any CDBG funding received from other jurisdictions in the last 5 years (jurisdiction, amount, and purpose). Enter N/A if not applicable.** |
| | N/A |
| 6 | **CAPACITY: Describe your agency's capacity to conduct the activity/program/project (previous federal grants management, staff experience and capacity, fiscal resources, etc.).** |
| | The House of Acts has made it a goal over the past 33 years, to support the men and women health and wellness with resources that counter their abusive lifestyle. Due to receiving the CDBG grant over the last few years the House of Acts have been able to provide the following: job development training, computer skills training, basic literacy instruction/evaluation and GED preparation assistance as the individuals complete the House of Acts Drug Treatment Program. The House of Acts has served roughly 205 clients that have entered our program last year. This number of 210 clients consist of 18 clients divided within 3 houses per month. |
| 7 | **PROPOSED PROGRAM/ACTIVITY DESCRIPTION: Provide a description of the activity/program/project for which your agency is seeking funding. NOTE: Agencies applying to assist homeless persons must coordinate with Resource Connect Solano operated by Caminar, a non-profit organization, to be considered for funding. Describe how the activity/program/project will coordinate with Resource Connect Solano, if applicable.** |
| | We propose to expand our training/skills offered through the HOA programs with the development of Basic Literacy instruction/evaluation, enhancing/expanding our Computer Training Course, GED Preparation, Resume Writing Classes, Workforce Training and Retail Customer Service Training. The HOA goal is to continue to enhance/expand all skills training as follows: **Basic Literacy:** Basic English, Reading and Math. **Job Search Training:** Resume writing, interviewing skills, how to search/complete job applications on the Internet. **Computer Training:** Intro to Computers, basic typing instructions, Microsoft Word, Excel and PowerPoint. **GED Preparation. Hidden Treasure Boutique** (HOA's Thrift Store) will provide on the job training in retail, customer service, marketing (promotion) inventory, cash handling and merchandising. **Workforce Helping Hands Program:** Gives clients a direct on-site job opportunity to learn landscaping, light construction, carpet laying, fencing, packing, moving, painting, plumbing, floor tiling, community service, house maintenance and cleaning. |

| Question # | Question Description |
|---|---|
| 8 | **ACTIVITY/PROGRAM IMPLEMENTATION: Describe how the activity/program will be implemented, administered, and operated.** |

At the beginning of the client's residency, they will be required to complete a basic 24 hour literacy module. The module will review Basic English and Reading skills require a completed project, which will allow the instructor to determine skills level. This module will give the client an introduction into reading and understanding and comprehension, which will be necessary to complete the other training modules and give the instructor the insight to adapt training modules to meet the individual client. Clients will be expected to complete "end projects" for each Literacy, Computer Training, GED Preparation, and Resume Writing. If it is determined that their needs cannot met during their stay at HOA, we will assist clients to seek other programs which can help them become proficient with basic literacy skills or more as they desire. **SEE ATTACHED**

| 9 | **NEED FOR PROGRAM/ACTIVITY: Describe the problem(s), need(s), issue(s) or service gap(s) to support the need for this project in the City of Vallejo. Include Vallejo demographics, statistics, report citations, etc.** |
|---|---|

The City of Vallejo, as well as America as a whole, continues to be in a terrible battle with the war on drugs. Vigilance is needed to change the clients attitudes and offer positive choices/skills to enable individuals to make correct life choices. The tragic part is that drug use contributes to the majority of crimes that plague our nation's cities and towns; this is shown by the prisons that become over-crowded and now local/county jails are facing the same dilemma in California. The House of Acts believes that if more and pertinent on-site job training courses are created and available, a majority of the clients that enter and complete the program would have a better chance of being productive citizens. **SEE ATTACHED**

| 10 | **USE OF VALLEJO CDBG FUNDS: Describe in detail how Vallejo's CDBG funds will be used within the activity/program/project. Describe how the project is cost effective and the budget is reasonable for the anticipated result.** |
|---|---|

The amount of funds the House of Acts is requesting within this CDBG proposal is $50,000. This $50,000 will consist of the following: A basic literacy/GED instructor and a Computer Instructor and a part-time Administrative Assistant. Our goal is to expand our GED, literacy and computer course. We would like to have 2 separate instructors so that each one can focus on the course that they are assigned to teach. This will also help to make sure that we can accurately track the programs progress, courses and work experience programs. The administrative assistant will work closely with the counselor's and instructors to track the progress and to help with making the courses better for our statistic reports.

| 11 | **TARGET POPULATIONS: Describe the population your agency will serve with these funds and how they will benefit from the implementation of the activity/program/project.** |
|---|---|

The population that the House of Acts will serve men and women who have been incarcerated, on parole or probation and are dealing with drug and alcohol addictions. The individuals who enter our facilities are usually lacking in basic education skills and computer skills with little or no work experience. Their history of incarceration and/or drug abuse is a strong and a realistic barrier to finding employment. In order to remain a viable and successful program, it is important for us to recognize the evolution of technology as a conduit to a substantial future for our clients. **SEE ATTACHED**

| Question # | Question Description |
|---|---|
| 12 | **OUTREACH: Explain how your agency will outreach to low income, limited English speakers, and/or disabled persons. How will each of these groups access the activity/program/project for which your agency is requesting funding?** |

Clients entering the House of Acts are either court ordered parolees and probationers requiring substance abuse treatment. These individuals are usually unemployed, homeless and have little to no income. Many of our clients suffer from mental health issues and some have physical disabilities.

**13 COLLABORATION: Identify the organizations with which your agency partners, and describe their relevant capabilities that result in greater service integration.**

The House of Acts will continue to work with Solano County Detox, Parole, Probation, The GEO Group, Alameda Courts, BACS and Center for Positive Change, Solano County, VA, Archway Detox, LaClinica, local schools and colleges, Global Center for Success and other local Alcohol and Drug programs to minimize duplication of services. The list of agencies that we work with assist us in many areas of treatment, from placement of clients in need of treatment, detox services or medical services.

**14 LEVERAGING: Describe leveraging or sustainability efforts your agency is implementing to maintain service levels.**

The House of Acts continues its working relationship with Parole, Probation, The GEO Group and other organizations that will ensure participants in need of our services. We receive requests for treatment on a daily basis from the above mentioned groups and from private citizens. We will continue to reach out to the community so that it is aware of the House of Acts and the services that are available to them.

**15 EFFECT IF NOT FUNDED: If this application does not receive funding, what will be the effect on the activity/program/project?**

Should the House of Acts not receive funding or partial funding we would adjust the hours of service we offer. This would effect the amount of training that we would be able to share with the participants.

**16 POPULATIONS TO BE SERVED: Indicate population(s) that will be served (mark "X") for ALL that apply).**

| | |
|---|---|
| Extremely Low Income Persons (Incomes 30% or less of AMI) | X |
| Very Low Income Persons (Incomes 31-50% AMI) | X |
| Low Income Persons (Incomes 51-80% AMI) | X |
| Seniors 62 years and older | X |
| Lower income families with children attending Vallejo City Unified School District | X |
| Homeless Persons or Families | X |
| Persons or families at risk of homelessness | X |
| Persons with mental illness | X |
| Persons with developmental disabilities | X |
| Persons with physical disabilities | X |
| Persons living with AIDS/HIV-related illness | X |
| Victims of domestic violence | X |
| Veterans | X |
| Other target population (describe) | Individuals on Parole or Probation |

| Question # | Question Description | |
|---|---|---|
| 17 | **CDBG PROGRAM OBJECTIVE: Select ONE objective that relates to your activity (Tip: When selecting, ask "What is the purpose of the activity? What is the larger community need that I am seeking to address?" (Mark "X" in selected objective)** | |
| | Creating a suitable living environment | |
| | Providing decent affordable housing | |
| | Creating economic opportunities | X |
| 18 | **CDBG PROGRAM OUTCOME: Select ONE outcome that relates to your activity (TIP: When selecting, ask "What type of change or result am I seeking?" (Mark "X" in applicable category)** | |
| | Availability/Accessibility | |
| | Affordability | |
| | Sustainability | X |
| 19 | **COMMON INDICATOR: Choose a common indicator that your agency will use to track clients - Mark "X" in selected category.** | |
| | Persons | X |
| | Households | |
| 20 | **# CLIENTS TO BE SERVED: For the category you selected in Question #19, provide the total number of unduplicated Vallejo clients your agency anticipates serving through this activity/program/project.** | |
| | # Unduplicated Vallejo Clients | 210 |
| 21 | **# CLIENTS TO BE SERVED BY INCOME AND TYPE: Based on the common indicator you selected above, provide the number of unduplicated Vallejo clients your agency anticipates serving in each category listed below.** | |
| | Low Income (51-80% AMI) | 30 |
| | Very Low Income (31-50% AMI) | 30 |
| | Extremely Low Income (0-30% AMI) | 40 |
| | Disabled | 40 |
| | Female Headed Households | 10 |
| | Seniors | 10 |
| | Youth | 0 |
| | Homeless | 50 |

| Question # | Question Description |
|---|---|
| 22 | **# CLIENTS TO BE SERVED BY RACE/ETHNICITY: Enter the number of clients your agency anticipates serving in the following race/ethnicity categories. The sum of numbers must match the total clients entered in Question #21 above. Per HUD, "Hispanic" is an ethnicity, and not a separate race.** |

| | |
|---|---|
| White | 30 |
| White + HISPANIC | 20 |
| Black/African American | 60 |
| Black/African American + HISPANIC | 15 |
| Asian | 5 |
| Asian + HISPANIC | 1 |
| American Indian/Alaskan Native | 2 |
| American Indian/Alaskan Native + HISPANIC | 2 |
| Native Hawaiian/Other Pacific Islander | 5 |
| Native Hawaiian/Other Pacific Islander + HISPANIC | 1 |
| American Indian/ Alaskan Native and White | 2 |
| American Indian/ Alaskan Native and White + HISPANIC | 2 |
| Asian and White | 5 |
| Asian and White + HISPANIC | 2 |
| Black/African American and White | 20 |
| Black/African American and White + HISPANIC | 20 |
| American Indian/Alaskan Native and Black/African American | 3 |
| American Indian/Alaskan Native and Black/African American + HISPANIC | 3 |
| Other Multi Racial | 9 |
| Other Multi Racial + HISPANIC | 3 |
| **TOTAL** | **210** |

23 **ELIGIBILITY VERIFICATION: Describe intake process and how information will be obtained to determine clients' Vallejo residency status, and household and income eligibility under the CDBG Program requirements.**

Participants are required to complete an intake application. All participants who are from out of the city of vallejo are required to register with the Vallejo Police Department or apply for a California ID at the DMV office. The participant is required to give the adddress of the residence that they are living in.

24 **ADDITIONAL INFORMATION (OPTIONAL): Applicants may include additional description regarding presented information if desired.**

## 8. ACTIVITY/PROGRAM IMPLEMENTATION:

This first module will also help the computer instructor and literacy instructor to determine the pace of the training for the individual client and offer additional help to those who find learning a challenge and at the same time give structure to the program. Curriculum for the training modules will be developed by the instructor to allow for flexibility and the ability to "deviate" from the established training schedule when necessary. Clients will be given lesson plans from each module, which will require a finished project. These projects are designed to enforce the skills learned in the lesson, and each completed project will build upon each other. Computer Training Skills Module shall include Mavis Beacon Typing Program, Basic Introduction to Computer, Microsoft Word, Microsoft Excel and the current standard presentation program Microsoft PowerPoint. Our basic literacy module shall include basic reading grade 12, general mathematic skills, general grammatical skills and general English skills. We have also developed a relationship with the Vallejo Adult School for a smooth transition for the clients who complete our GED Preparation Program. With this relationship helps clients with their transition to prepare for their GED exam.

## 9. NEED FOR PROGRAM/ACTIVITY:

Employment, education and training not only teaches these individuals valuable and employable skills, but also helps to replenish the economy by restoring jobs, creating jobs and giving clients the tools to make proper choices in life, which will reverse the need to use drugs. When individuals are abusing drugs, crime rates and unemployment rise. As stated in the National Institute on Drug Abuse website (www.nida.nih.gov) "untreated substance abuse and addiction add significant cost to families and communities, including those related to violence and property crimes, prison expenses, court and criminal costs, emergency room visits, health care utilization, child abuse and neglect, lost child support, foster care and welfare costs, reduced productivity, and unemployment". We believe that our onsite job training courses within Workforce Helping Hands area and the Hidden Treasures Boutique will help these individuals continue in maintain a clean and sober lifestyle as a result of gaining self-assurance, self-confidence and education through our program. Obtaining these tools is imperative in order to compete today. An individual who has been addicted to drugs is someone who has a hard time in coping with everyday life stress and being unemployed is one of those life stresses. The House of Acts provides 12-step recovery tools that help individuals fight the war on drug abuse and become productive/employable members of the community. In addition, fully educating clients in the workforce industry is something that we believe is a hidden asset to recovery.

## 11. TARGET POPULATIONS:

The earlier a person is introduced to technology the better chance they will have to become productive individuals skilled in the areas of technology. As service providers, we understand the importance of providing our clients with basic educational skills, computer skills and work-related skills in order to boost their chances of success in our beloved City of Vallejo and beyond.

# CITY OF VALLEJO CDBG PROGRAM APPLICATION
# PUBLIC SERVICES ACTIVITIES (Social Services Activities)
# Fiscal Year 2022-23

*Covers July 1, 2022 - June 30, 2023*

## ACTIVITY/PROGRAM BUDGET

**Instructions:** Enter the budget in the shaded cells for the proposed activity or program to be implemented in the City of Vallejo with CDBG funds. Under Funding Sources section, enter all funding sources (including other non-CDBG funding sources, if applicable) related to the proposed activity or program to be implemented in the City of Vallejo (e. g., foundation name, individual contributions, in-kind contributions, other federal/state or local public funding source/s, etc.), the amount of funding requested, and the amount committed. Under Funding Uses section, at Column A enter additional types of expenses if applicable; at Column C enter the line item budget by expense type; at Column E enter only the Vallejo CDBG funding requested amounts, by line item/expense type. Print tab when completed.

| Funding Sources | Amount Requested | Amount Committed |
|---|---|---|
| **Enter Amount of Vallejo FY2022-23 CDBG Request** | $ 50,000 | n/a |
| Other Source: | | |
| Other Source: | | |
| Other Source: | | |
| Other Source: | | |
| **TOTAL** | $ 50,000 | $ - |

| Funding Uses | Total Activity/ Program/ Project Budget | Amount Requested from Vallejo CDBG |
|---|---|---|
| Personnel: Salaries (see instructions below) | | $ 42,500 |
| Personnel: Benefits (see instructions below) | | $ 7,500 |
| Operating: Supplies | | |
| Operating: Printing/Copying | | |
| Operating: Postage | | |
| Operating: Telephone | | |
| Operating: Rent and Utilities | | |
| Operating: Accounting/Audit | | |
| Operating: _____ | | |
| Operating: _____ | | |
| **TOTAL** | $ - | $ 50,000 |

| |
|---|
| Budget Narrative: Discuss and justify the items and amounts entered above. If using CDBG for salaries/benefits, list each employee, their position/title, and the percentage of their salary and benefits (e.g., 0.10 FTE) that will be paid with CDBG funds. The City of Vallejo will provide CDBG funds to pay for direct costs only. |
| Garland Williams - Instructor - Salary $29,600.00 Annually/Benefits $5,200.00 ---Valerie Madison - Assistant - Salary $12,900.00 Annually/Benefits $2,300.00 |

**CITY OF VALLEJO CDBG PROGRAM APPLICATION**
**PUBLIC SERVICES ACTIVITIES (Social Services Activities)**
**Fiscal Year 2022-23**
*Covers July 1, 2022- June 30, 2023*

## TIMELINE/PROGRAM SCHEDULE

**Instructions:** Provide a timeline below in the shaded cells showing the specific actions/milestones to be taken to implement the proposed CDBG-funded activity or program in Column A. Enter month/year milestone will be completed in Column C. Enter "not started", "underway", or "completed" in Column E for completion status. The CDBG Program requires timely expenditure of funds, and funding will be made available for the July 1, 2022 through June 30, 2023 period. Print tab when completed.

| COLUMN A | COLUMN C | COLUMN E |
|---|---|---|
| Actions/Milestones | Month/Year to be started | Month/Year Completed |
| *GED/Literacy and Computer Classes* | *July-22* | *Aug-23* |
| | | |
| | | |
| | | |
| | | |
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Schedule Narrative: Include a narrative to accompany the timeline/program schedule, (optional).

**CITY OF VALLEJO CDBG PROGRAM APPLICATION**
**PUBLIC SERVICES ACTIVITIES (Social Services Activities)**
**Fiscal Year 2020-2021**
*Covers July 1, 2020 - June 30, 2021*

## APPLICATION SUPPORTING DOCUMENT REQUIREMENTS

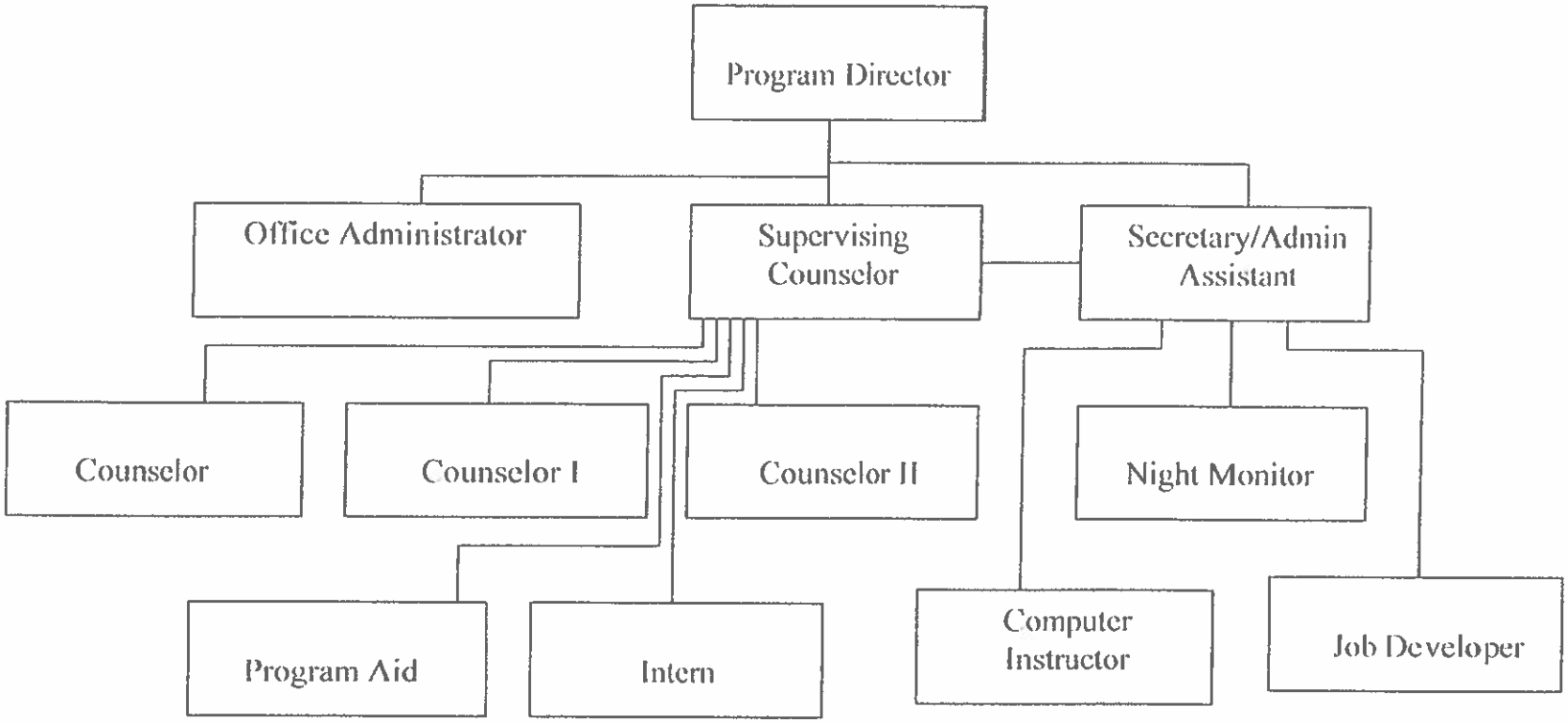
**Instructions:** Review document submittal requirements to ensure completeness of application and complete shaded cells. Print tab when completed. FOR NEW APPLICANTS ONLY: Organizations/agencies NOT currently receiving CDBG Program funds in FY 2019-2020 are required to submit Items #15-20. (Organizations receiving FY 2019-2020 CDBG funding are not required to submit these items.)

| Item # | Document Name | Included with Application? Yes/No/"n/a" |
|---|---|---|
| 1 | Completed General Information Tab | Y |
| 2 | Completed Application Questions Tab | Y |
| 3 | Completed Budget Tab | Y |
| 4 | Completed Schedule Tab | Y |
| 5 | Completed Doc Requirements Tab | Y |
| 6 | Organizational Chart | Y |
| 7 | Resumes of Executive Director, Program Manager, and Fiscal Officer | Y |
| 8 | Resumes of Key Agency Personnel who will be associated with proposed public service activity | Y |
| 9 | Agency Board of Directors Roster including identification of Board officers, addresses, telephone numbers, and description of general area of board member's expertise | Y |
| 10 | Resolution authorizing application submittal and authorized signatory for application and contract documents | Y |
| 11 | Agency's total budget (CDBG and non-CDBG) for prior two fiscal years | Y |
| 12 | References: Name, address, telephone, email for references on three (3) recent similar programs or projects, including brief description of work provided by the agency for each reference | Y |
| 13 | Copy of current insurance coverages for the agency/organization, including workers' compensation | Y |
| 14 | Agency Conflict of Interest Statement | Y |
| 15 | State and Federal (IRS) nonprofit determination letters | N/A |
| 16 | Articles of Incorporation | N/A |
| 17 | Bylaws | N/A |
| 18 | Financial Statements or Audits for last 3 fiscal years | N/A |
| 19 | Written Fiscal/Accounting Policies and Procedures | N/A |
| 20 | Written Personnel Policies and Procedures including Affirmative Action Plan and Grievance Procedure | N/A |

THE HOUSE OF ACTS

# The House Of Acts

Alcohol and Substance Abuse Treatment Program



# EDMOND WADE

Vallejo, California 94591 | C: 707-333-3034 | discoeddie77@yahoo.com

## Summary

Dynamic Clinical Supervisor eager to leverage expertise to develop Counselor teams with strong clinical, technical, and decision-making skills. Proven success in improving patient care and outcomes by developing and leading robust training programs.
Enthusiastic individual with superior skills in working in both team-based and independent capacities. Bringing strong work ethic and excellent organizational skills to any setting. Excited to begin new challenge with successful team.

## Skills

- Multidisciplinary team collaboration
- Improving clinical quality outcomes
- Patient relations
- Patient Health Education

## Experience

**Clinical Supervisor** **11/2006 to Current**
**The House Of Acts** **Vallejo, California**

- Created and implemented improvement plans to resolve issues and drive improvements to deficient areas.
- Evaluated patients, determined care needs and managed implementation of treatment plan.
- Improved research-based approaches through participation in research and evidence-based clinical audits.
- Drove attainment of optimal outcomes through case management focused on appropriate treatment, clinical quality assurance and service utilization.
- Provided routine management and emergency response with authoritative and professional manner.
- Introduced new departmental policies and oriented staff to facilitate adoption of changes.
- Improve policies and procedures through development, implementation, revision and evaluation of new protocols.
- Optimized operations by understanding, following and enforcing OSHA regulations.

**Workforce Manager** **11/2006 to Current**
**The House Of Acts** **Vallejo, California**

Use a leadership style that creates and maintains an environment based on mutual respect, trust, teamwork.
Be a role model by taking full responsibility for one's decisions, supervisory practices, and personal wellness.
Seek job performance feedback from supervisees, peers, and manager to improve supervisory practices.

## Education and Training

**High School Diploma** **08/1977**
Vallejo High School Vallejo, CA

**Drug Recovery Specialist** **06/2006**
CAARR Insititute Fairfield, CA

## Certifications

- Certified BREINING INSTITUTE Registered Addiction Specialist (RAS) 01/10/2013 to 01/10/2021
- CADTP SUDCC Sudstance Use Disorder Certified Counselor 02/08/2019 to 01/10/2021
- Project Management Professional Workforce Manager

**BREINING INSTITUTE**

5904 Greenback Lane, Orangevale, California USA 95662 ph [illegible] fax [illegible] email [illegible]

Breining Institute has determined that the individual designated below

# EDMOND STEVEN WADE, RAS II

satisfies to meet the qualifications
relating to addiction treatment and administration, including the [illegible] clinical experience,
formal continuing education and / or written exam stipulated, and has been awarded the credential

# Registered Addiction Specialist II (RAS II)

with all the rights, privileges and honors thereto pertaining

Certification Number:

**W1201111703**

Initial Certification Date:

**January 10, 2013**

Current Status:

**Active**

Renewal Date:

**January 10, 2023**

**Dean of Students**
**AUTHENTICITY: In order for this Certificate to be valid, it must be signed by the Dean of Students and contain a complete image of the Breining Institute Seal in the background.**

**ON-LINE VERIFICATION OF CREDENTIAL - WWW.BREINING.EDU**

**REGISTERED SERVICE MARKS OF BREINING INSTITUTE**

Since 1986, Breining Institute has been dedicated to providing individuals in this profession with the highest level quality education, training, testing and certification, and has awarded certificates, degrees and professional credentials to qualified individuals in 47 U.S. States and 22 countries.

These credentials are registered service marks, and may only be used by professionals who have been awarded these credentials by Breining Institute:

"Registered Addiction Specialist" and "RAS" credentials: Service Mark Reg. No. 65739, Class Number 41
"Clinical Supervisor Credential" and "CSC" credentials: Service Mark Reg. No. 66826, Class Number 41
"Master Counselor in Addictions" and "MCA" credentials: Service Mark Reg. No. 66746, Class Number 41
"Medication-Assisted Treatment Counselor" and "MATC" credentials: Service Mark Reg. No. 66622, Class Number 41
"Forensic Addictions Counselor" and "FAC" credentials: Service Mark Reg. No. 66627, Class Number 41
"Certified Co-occurring Disorders Specialist" and "CCDS" credentials: Service Mark Reg. No. 67864, Class Number 41
"Certified Women's Treatment Specialist" and "CWTS" credentials: Service Mark Reg. No. 67863, Class Number 41
"Certified Case Manager Interventionist" and "CCMI" credentials: Service Mark Reg. No. 121265, Class Number 41
"CCMI" Service Mark Reg. No. 3,960,295, United States Patent and Trademark Office (USPTO), Ser. No. 87/778,904, Class Number 41

# California Substance Use Disorder Certified Counselor

The CADTP Certification Board Hereby Acknowledges that

## *Edmond Steven Wade*

has satisfied the requirements for certification, having the experience, knowledge, & attitudinal skills to serve in all modalities of substance use disorder treatment as established in the California Code of Regulations, Title 9, Section 13040, holding the position of

### Substance Use Disorder Certified Counselor II

### SUDCC II

Demonstrated Education and Advanced Field Experience

| January 10, 2021 | January 10, 2023 | 7522 |
|---|---|---|
| Valid From | Valid To | Certificant Number |

Stacie Perez
Certification Board Chair

Deborah Paglison
Certification Board Secretary

Recorded On December 18, 2020

The Substance Use Disorder Certified Counselor credential is accredited by the National Commission for Certifying Agencies and is recognized by the State of California, Department of Health Care Services, Substance Use Disorder Compliance Division as an approved California SUD Certifying Agency. Those holding this credential are authorized to work in any substance use disorder (SUD) treatment modality.

## Substance Use Disorder Certified Counselor II

**Your account is incomplete** Set a password to make it easier to change settings when you next view this credential

Set a Password

**ADD TO MOBILE WALLET**

Preview how your credential will appear and then add it to your mobile wallet.

Preview

This website uses cookies to ensure you get the best experience on our website. Learn more

Sign In

Sheila D. Nixon
221 Arguello Ave · Vallejo, CA 94590 · (707) 332-0424 · E-mail: Snix2123@aol.com

***Professional Experience:***

Mar. 2002 – Present

***Alternative Family Services, Vallejo, CA***

**Foster Parent**

- Worked with minors who suffer from emotional and mental disabilities, ptsd, disruptive and abusive behaviors, self injury,
- Dispensed medication
- Worked with school administration, county social workers,
- Taught life skills, independent living skills,

Nov. 2007 – June 2008

***MIT Academy, Vallejo, CA***

**Secretary to the Directors**

- Proficient with computer software to generate and update reports, data records
- Managed electronic and paper filing systems
- Coordinated student testing modules
- Handled all confidential documents on sensitive student matters
- Coordinated events, conferences, meetings, and retreats and assisted directors with facilitation of each.

Jan. 2008 – Present

***Rehoboth Transformation Community Corp., Vallejo, CA***

**Part-Time Administrative Assistant to the Director**

- Managed accounts payables/ receivables
- Designed presentations and other materials
- Prepared and updated membership data to generate financial reports, mailing lists for product surveys and research
- Handled confidential matters regarding financial reports, contracts and executive board matters
- Assisted with coordination and help facilitate events, meetings, retreats and conferences

Mar. 2004 – Nov 2007

***Global One Lending Inc., Sacramento, CA***

**Loan Officer**

- Interviewed clients to process loan application, and explained the various types of loans and credit terms available to them
- Verified client information through research and analyze credit reports to recommend property types and affordability
- Researched and obtained potential lenders for client
- Managed all escrow issues

Feb. 1997 – Dec. 2002

***Chevron Oil Company Inc., Concord, CA***

**Account Manager – Commercial Accounts**

- Operated high volume of incoming customer calls for commercial accounts
- Researched and obtained information for transactions, resolutions, data reports
- Proof read contracts
- Provided customer service on billing matters
- Corrected discrepancies on customer accounts as necessary
- Resolved delinquent accounts

Sheila D. Nixon
221 Arguello Ave · Vallejo, CA 94590 · (707) 222-0424 · E-mail: Snix2123@aol.com

Apr. 1982 – Aug. 1984 ***Alpha Omega Inc., Vallejo, CA***
**Administrator**

- Managed office, typing, filing, supplies
- Responsible for determining placement of new residents
- Managed supplies for all facilities
- Developed office and facility procedure manuals
- Accounts payables and receivables

***Education:***
JD Edwards 1099 tax course (certificates)
Healds Business College, Walnut Creek
Solano Jr. College, Suisun, CA

***Computer Skills:***
Software: JD Edwards, MS Word, Excel and Outlook.

References Available Upon Request

# Garland Williams

*Desktop Support Analyst*

garlandwilliams52@gmail.com
Sacramento, CA 95835
707583338


## SUMMARY


***Astute strategist with an extensive track record developing and executing innovative IT solutions to meet ever-changing business requirements. Dynamic and resourceful desktop support professional, recognized for top technical support performance in a variety of desktop operating systems, hardware components and IT network peripherals. Creative, forward thinking and a strong hands-on team leader, highly efficient and result-oriented with exceptional management and organizational skills.***

- ***Adept at providing technical hands-on capabilities with: installation and configuration, remote monitoring, help-desk customer service, tech support, maintenance and troubleshooting.***
- ***Extensive experience supporting software/ hardware systems and performing equipment upgrades under adverse conditions. A professional who thinks strategically and can position the project team as the standard for processes and programs within the larger organization.***
- ***A proactive leader motivated focused at achieving planned targets, directives and objectives through effective leadership, dedication and continuous self-development.***
- ***Maintain a high level of professional savvy, patience and efficiency to reduce customer's dissatisfaction and increase customer's loyalty.***
- ***High achiever driving teams to topmost rank, a proactive leader with a proven track record of change and transformation in an organization serving complex and demanding clients.***


## CORE COMPETENCIES

- ***Exceptional Interpersonal Skills***
- ***Communication Skills***
- ***Troubleshooting***
- ***Hardware/Software Maintenance***
- ***Network Administration***
- ***User Training/Support***
- ***Customer Demeanor***
- ***Team player***
- ***Network Printing***
- ***Dame ware Connectivity***
- ***Phone/Online Support***
- ***Problem Solving Skills***
- ***Remote Access***

## TECHNICAL SKILLS

***Process Flows & Call-Tracking Tools: ITIL incident management service processes; HEAT; Remedy; Zendesk; Freshdesk;***
***Software: MS Office (Word, Excel, Outlook, PowerPoint, Access); VMware applications; Salesforce; anti-virus programs***
***Browsers: Chrome; Safari; Firefox; MS Edge; IE;***
***Hardware: PCs, Laptops, Telephony Systems, Printers, Routers, Modems***
***Networking: LAN & VPN/Remote Connectivity, TCP/IP***
***Platforms: Windows, MAC***

## WORK EXPERIENCE

***Lionakis***
***Desktop Support*** — ***05/18 – 02/15/19***

***Responsible for executing IT support, to include, software and hardware configuration to end-users, support of Video Conferencing system support including configuration and video hardware, as well as troubleshooting issues. Performed hardware, software and network upgrades and repairs for all PC's***

- ***Resolved user questions and issues in a fast paced, high pressure environment. Implemented new technologies while reducing IT costs throughout company.***
- ***Provide status updates to client and team lead through completion of ticket resolution.***
- ***Installed and maintained PC hardware***

# Garland Williams

*Desktop Support Analyst*

garlandwilliams52@gmail.com


- ***Setup VOIP Phone ...Shoretel***
- ***Windows 7 to 10 Migration***
- ***Possess *Dell and Mac Hardware, win 7/10, OS x MS-Office, Outlook, and RAD connectivity, with Dameware and other tools Active Directory, SCCM, Cisco, PDQ Deployment, PDQ Inventory VDI/VMware and Wireless Technologies including Access points, Checkpoint Encryption. Application and Software Deployment***

***CDI*** ***11\30\17 – 02\22\18 Contract***

***Tech Support***

***Responsible for implementing and maintaining system security and configurations of company servers while providing IT support, to include planning, software and hardware configuration to end-users. Facilitate smart hands and eyes support of Cisco switches and routers, Servers, and UPS; Video Conferencing system support including configuration and video hardware 3 High school or equivalent. Ensured security and performance, as well as troubleshooting issues. Performed hardware, software and network upgrades and repairs for all PC's and Servers.***

- ***Resolved user questions and issues in a fast paced, high pressure environment. Implemented new technologies while reducing IT costs throughout company.***
- ***Provide status updates to client and team lead through completion of ticket resolution.***
- ***Installed and maintained PC hardware***
- ***Possess oracle Knowledge Management tool *Dell and Mac Hardware, win 7/10, OS x MS-Office, Outlook, and Remote Access with Dameware and other tools Active Directory, Cisco Any connect, VDI/VMware and Wireless Technologies including Access points, Checkpoint Encryption. Application and Software Deployment***

***SMART SOURCE TECHNICAL*** ***2012 – Consultant***

***Desktop Support***

***Provided reliable and efficient services to end users and other stakeholders to ensure smooth operations. Built PCs, installed and configured operating systems and application software, and recommended antivirus and security procedures and tools. Performed periodic backups as part of the client's business continuity strategy.***

- ***Successfully troubleshot and resolved end-user complications through research and effective follow up practices***
- ***Served as initial point of contact for customer inquiries, solved technical issues and escalated issues to appropriate support personnel.***
- ***Provided information and practical training in the computer hardware and software field.***
- ***Assisted users with various forms of desktop support through remote desktop and telephonic communication***
- ***Completed customized configuration requests for various employees***
- ***Developed strong communication skills through face-to-face, phone, and email communication with users***
- ***Provided exceptional service resulting in referral-driven business expansion.***

***DAVIS LAW*** ***2002 – Consultant***

***Desktop Support***

***Responsible for diagnosing, researching and resolving network, hardware, operating system, and application software problems. Served as initial point of contact for customer inquiries, solved technical issues and escalated issues to appropriate support personnel***

- ***Advised and trained on MS programs and application functionality after updates and upgrades. Configuration and deployment of new PCs by following a documented process to ensure all hardware items are complete.***
- ***Consulted with management and reviewed projects and tasks to meet goals, time frames, and procedures for accomplishing projects and assigned tasks.***
- ***Assisted users with various forms of desktop support through remote desktop and telephonic communication***
- ***Managed daily work orders in queue.***

## EDUCATION AND CERTIFICATION

***USAF Honorable Discharge Sacramento Academy Business College, Hill Business College***
***Bolton High School***
***Academy Business College***

VALERIE R. MADISON
3020 Burnette Street
Vallejo, Ca. 94591
707.235.0796 cell
val452@yahoo.com

**PROFESSIONAL EXPERIENCE:**

Mar 2020 to present
**Amazon Warehouse** – Vacaville
Scanning, Processing, Supervising, Scheduling

Jan 28 2016 - Feb 27 2016
**PFC Group of Companies** / Las Vegas
Surveillance / Protection detail in the Los Altos area
30 day contract

Nov 2015 – Mar 2018
**Security Industry Specialists Inc** (SIS) / San Jose
Surveillance / Protection detail in the Northern Calif area
Security detail in local Apple Stores

Police Officer June 13 1988 to October 22, 2009
**Vallejo Police Department**
Attended and graduated from the Napa Police Academy. Patrol Officer, Peer Support Officer, Undercover/Crime Suppression Officer, Community Base Policing, Youth Services Officer, School Resource Officer, D.A.R.E. Officer & Honor Guard.

Vallejo PD Patrol Officer (June 1988 to August 1992)
Respond to calls for service; investigate criminal activity. Conduct primary and follow-up investigations of Fraud, Theft and Crimes against persons/property. Primary traffic collision investigations, Parking Enforcement, issuing citations, impounding vehicles. Assisting officers in patrol with the preservation and collection of evidence at crime scene. Enforcement of state and local law. Liaison between the community and the police department.

Vallejo PD Undercover/Crime Suppression Officer (November 1989 to October 1992)
Reduce narcotics and prostitution problem within the city. Suppress specific and series criminal activity in the city. Conducted long and short-term sting operations in the purchase of street level narcotics and prostitution. Acquired the ability to develop information to author search warrants.

Vallejo PD Community Base Policing Program (January 1990 to December 1992)
Perform community meetings and relations tasks. Liaison between the community and the police department.

Vallejo PD Youth Services Officer (August 1992 to June 1999
Assigned to Solano Junior High. Implement a comprehensive school safety plan. Liaison between school staff and students. Provide law enforcement and introduce diversion intervention programs via the department's Police Probation Program. Perform community and public relations tasks designed for youth of Vallejo. Instructor of D.A.R.E. curriculum. Assist officers engaged in the instruction of D.A.R.E. curriculum. Developing after school programs

Vallejo PD Peer Support Counselor (1994 to October 2009)
Assist in critical incident debriefings; be available to officers for counseling needs.

Vallejo PD Honor Guard (1990 to December 2001)
Attend services of fallen officers & annual memorial services

Vallejo PD Patrol Officer (1988 to October 2009)
Aforementioned duties above

**IPM Health Plan** September 1983 to June 1988
Receptionist/Secretary. Handling centrex telephone system for 47 employees. word processor and typist.

**Burns Security** October 1981 to September 1983
Receptionist/Security. Receptionist and Security for the executive staff at the Pacific Bell Computer Company. And working various sites as Sohio. Bechtel and Department stores.

**Redwood Bank** April 1980 to September 1981
Bank Teller / Customer Relation. Opening / Closing accounts. light bookkeeping

**EDUCATION**

High School:
El Cerrito High 1975 – High School Degree obtained
Colleges:
Contra Costa College 1975 – 1978
Professional Accounting Institute – 1983 Certificate of Completion obtained
Solano College – 1985 – 1986
Napa Valley College – 1987 – 1988
Santa Rosa College – 1993
Sacramento City College – 1991
Napa College – 1990 – 1991 Certificate of Completion Criminal Justice obtained
Temple Theological Institute and Bible College – 2017 to 2019 Bachelor Degree obtained
Temple Theological Institute and Bible College Masters/Doctrinal Program – 2019 to Present

## SPECIALIZED TRAINING AND PROFESSIONAL CERTIFICATES

Drug Recognition & Influence (August 1990)
Crime Scene Investigations/Evidence
Narcotic Investigations (August 1990)
Criminal Investigations
Interview & Interrogation
Search Warrant (August 1990)
Undercover Officer (August 1990)
Basic Traffic Accident Investigation (April 1989)
Emergency Vehicle Operations (December 1990)
Radar Operator (Radar 1991)
Complaint Dispatcher (June 1990)

**Certificate**:
POST Academy Napa Valley College (June 1988)
Basic POST Certificate (January 1990)
Advanced POST Certificate (November 1999)
Intermediate POST Certificate (November 1999)
P.O.S.T. Post Trauma Stress for LEO's Course (June 1996)
D.A.R.E. Instructor Certificate (October 1997)
P.O.S.T. Peer Support for LEO's Course (May 1995)
P.O.S.T. Re-certification 832 PC Course (June 2013)

## PERSONAL QUALIFICATIONS:

Throughout my experience in the working industry. I find that it enables me to learn quickly and react accordingly. I have experience w/working with all ages. multicultural groups. social and economic backgrounds & w/people from multicultural communities. I have been the liaison between police and other services such as CPS. APS. & schools. I've coordinated and worked with probation and parole. Most professional organizations are open to diversity: diversity can lead to employee issues. I'm skilled in dealing in non violent crisis intervention: I feel that my greatest asset is having an open mind and my outgoing personality which enables me to get along well with anyone. I've completed over 25 years of Law Enforcement with Vallejo Police Department. Since my retirement I volunteered 4 days a week at a drug and alcohol program facility that house recovering addicts.

Marital Status – Divorce, one adult son

References Available Upon Request

Currently volunteering at the Two listed businesses

**House of Acts** (drug and alcohol rehabilitation center)
October 2009 to Present
Duties
Assisting the executive staff at the facility involving but not limited to: Bookkeeping, Answering Phones, Clerical, Customer Relation,Computers, Printers
Fluent in Windows XP/Vista Photoshop
Familiar with Microsoft Word, WordPerfect, Excel
Knowledge of records management and filing system
Able to operate fax machine, copiers, Multi phone lines and other office equipment

**2B Successful Youth**
October 2010 to Present
Duties
Working in an after school program at 2 schools to provide assistance with homework, Reading, Science, Teaching life skills, Mentoring and Tutoring to students K-12th grades. Supervising recreation, arts and crafts, monitoring computer activities, provide technical support and cooking classes, vegetable garden, chaperone field trips and provide transportation as needed
Solano Juvenile Hall - mentoring teenagers and assisting them with their homework

Strongly self-motivated, punctual, follow direction accurately
Responsible Reliable and friendly
Professional appearance and manner

Paying attention to detail, providing assistance needed
Work as a team player and cooperate well with other employees in every job
Work with minimum supervision ... Maintain confidentiality throughout each process
Able to work well under pressure and in fast-paced environments
Motivated worker who can perform a wide variety of task without direct supervision

# El Cerrito High School

El Cerrito, California

This Certifies that

Valerie Renee Madison

has completed a course of studies in accordance with the requirements of the State Board of Education and the Trustees of this School and is therefore awarded this Diploma

Given at El Cerrito, California, this twelfth day of June, one thousand nine hundred seventy-five

President, Board of Trustees

Superintendent of Schools

Frank E. Franucci

Principal

# Temple Theological Institute and Bible College

Is Hereby Awarded to

## Valerie Madison

In Recognition of scholarly attainments and distinguished service
And in nomination of the Faculty of the Temmple Theological Institute & Bible College
By virtue of authority granted by Transworld Accrediting Agency
Hereby certifies the degree of

## Bachelor of Theology

With all honors rights and privileges thereunto appertaining.
In witness whereof this Diploma signed by the authorized officers
Of the Temmple Theological Institute and Bible College is granted.
Given in Tracy California on the thirtieth Day of May
In the year Two Thousand and Twenty

Dr. Richard Clark, Chancellor, TTIBC

Dr. Larry Stamper, Pres. NABC

# The House of Acts

**Alcohol and Substance Abuse Treatment Program**

627 Grant Street Vallejo, CA 94590

www.houseofacts.org Telephone: (707) 553-1042 Fax (707) 553-8146


## BOARD OF DIRECTORS

Edmond Wade (Director)

**Expertise:** Clinical Supervisor with success in patient care and developing and leading training programs. Managed HOA Workforce division.
**Contact info:** 3366 Tennessee St. Apt 3. Vallejo, CA (707)333-3034

Taira Scott, Attorney at Law (President)

**Expertise:** Ms. Scott graduated from Barry University School of Law. Ms. Scott holds a Juris Doctor Degree, a Master's in Entertainment Business and a Bachelor's of Art. Ms. Scott currently works at Contra Costa County.
**Contact:** 100 Carnation Circle, Vallejo Ca (707)704-4255

Valerie Madison (Secretary)

**Expertise:** Ms. Madison is a local resident of Vallejo. Ms. Madison attended Contra Costa College and San Jose State. Ms. Madison majored in criminal justice with a minor in psychology. Ms. Madison worked in law enforcement for over 25 years.
**Contact:** 3020 Burnette St., Vallejo, CA 94591. (707)235-0796

Omar Boughton (Treasurer)

**Expertise:** Mr. Boughton is teacher within the Sacramento school district. Mr. Boughton believes in helping others Mr. Boughton is currently finishing his 2nd degree in accountant.
**Contact:** 3364 Tennessee Street #3 Vallejo, CA 94591 (707) 280-3982

Kamicha Boughton (Community Outreach)

**Expertise**: Ms. Boughton has a Master's degree in public administration. Ms. Boughton is a native of Vallejo, who believes in bridging the city and the program together. Ms. Boughton handles all community outreach programs within the city and the HOA.
**Contact:** 121 Sutter Street, Vallejo, CA (707) 235-4285

Rob'Lena Miles (Advisor)

**Expertise:** Ms. Miles is an executive for NorthFace clothing company. Ms. Miles helps the program with budgeting and overseeing our budgets.
**Contact:** 370 Idora Ave, Vallejo, CA 94591, (510)219-2931


It is the policy of The House of Acts that we do not discriminate on the basis of age, race, creed, color, religion, national origin, handicap or disability.

# The House of Acts

**Alcohol and Substance Abuse Treatment Program**

627 Grant Street Vallejo, CA 94590

www.houseofacts.org Telephone: (707) 553-1042 Fax (707) 553-8146


## Governing Board Resolutions

The Governing Board of the House of Acts

The House of Acts key goal is to promote a alcohol and drug free life for all men and women who enter our residential treatment program and to become productive members of society: and

The House of Acts is involved in providing Computer Training, online College classes, GED Preparation; resume writing classes, retail and customer service, job readiness skills through our Workforce Helping Hands project; and

The House of Acts has a proven track record of successful graduates who have rehabilitated, gained employment and satisfactorily completed requirements to be removed from parole or probation; and

The House of Acts has thoroughly discussed the value of responding to the City of Vallejo's Request for Proposal (RFP) for Fiscal Years 2016 – 2017.

The House of Acts Board of Directors affirms the responding to the RFP would benefit the goal of promoting clean and sober living, as well as a crime free lifestyle for all men and women who desire to change.


It is the policy of The House of Acts that we do not discriminate on the basis of age, race, creed, color, religion, national origin, handicap or disability.

Be it further resolved that Edmond S. Wade, Program Director has permission to do business for the House of Acts and seek a commitment of City funds under the program.

Adopted by the Board of Directors of the House of Acts at a regular meeting held on January 31, 2022 by the following votes:

Ayes: Scott, Boughton, Madison, Boughton & Miles

Noes: None

Absent: None

Abstain: None

Taira Scott 1/31/2022

Taira Scott, President Date

It is the policy of The House of Acts that we do not discriminate on the basis of age, race, creed, color, religion, national origin, handicap or disability.

BUDGET 2021/2022

| House of Acts / Residential Treatment Program 2021-2022 | | |
|---|---|---|
| | | |
| PERSONNEL | Cost | Subtotal |
| Payroll benefits and taxes (Includes CDBG) | $475,600 | |
| Employee Live Scans | $750 | |
| Personnel Total | | $547,350 |
| | | |
| OPERATING COSTS | | |
| Mortgage | $72,300 | |
| Property Taxes, State Franchise Board, and IRS | $10,230 | |
| Water | $8,123 | |
| PG&E Utilities & Garbage | $12,875 | |
| Telephone | $2,980 | |
| Property Maintenance | $3,100 | |
| Food | $9,500 | |
| Insurance Liability | $17,600 | |
| Clothing | $1,800 | |
| Transportation | $21,000 | |
| Postage | $760 | |
| Office Supplies, Internet, Computers, Printers | $21,120 | |
| Retail Supplies/Tools & Equipment | $18,760 | |
| Activities | $13,100 | |
| Contractor's Fees | $5,600 | |
| Staff Development Training | $8,200 | |
| Drug Testing | $10,200 | |
| OPERATING COSTS TOTAL | | $237,248 |
| INDIRECT COSTS (10% of Operating Costs + Personnel) | | $71,359 |
| PROGRAM EXPENSES (Personnel + Operating + Indirect) | | **$784,598** |
| | | |
| TOTAL REVENUES | | |
| The GEO Group | | $586,821 |
| Solano County/BACS | | $11,860 |
| City of Vallejo | | $67,820 |
| Private Donations | | $15,519 |
| Alameda Courts | | $16,358 |
| Medi-Cal | | $36,579 |
| CDBG Grant | | $50,000 |
| TOTAL REVENUES | | **$784,598** |

# BUDGET 2021/2022

| House of Acts / Residential Treatment Program 2021/2022 | | |
|---|---|---|
| | | |
| PERSONNEL | Cost | Subtotal |
| Payroll benefits and taxes (Minus CDBG) | $425,600 | |
| Employee Live Scans | $750 | |
| Personnel Total | | $426,350 |
| | | |
| OPERATING COSTS | | |
| Mortgage | $72,300 | |
| Property Taxes, State Franchise Board, and IRS | $10,230 | |
| Water | $8,123 | |
| PG&E Utilities & Garbage | $12,875 | |
| Telephone | $2,980 | |
| Property Maintenance | $3,100 | |
| Food | $9,500 | |
| Insurance Liability | $17,600 | |
| Clothing | $1,800 | |
| Transportation | $21,000 | |
| Postage | $760 | |
| Office Supplies, Internet, Computers, Printers | $21,120 | |
| Retail Supplies/Tools & Equipment | $18,760 | |
| Activities | $13,100 | |
| Contractor's Fees | $5,600 | |
| Staff Development Training | $8,200 | |
| Drug Testing | $10,200 | |
| OPERATING COSTS TOTAL | | $237,248 |
| INDIRECT COSTS (10% of Operating Costs + Personnel) | | $71,359 |
| PROGRAM EXPENSES (Personnel + Operating + Indirect) | | **$734,598** |
| | | |
| TOTAL REVENUES | | |
| The GEO Group | | $586,821 |
| Solano County/BACS | | $11,860 |
| City of Vallejo | | $67,820 |
| Private Donations | | $15,519 |
| Alameda Courts | | $16,358 |
| Medi-Cal | | $36,579 |
| TOTAL REVENUES | | **$734,598** |

BUDGET 2020/2021

| House of Acts / Residential Treatment Program 2020-2021 | | |
|---|---|---|
| | | |
| PERSONNEL | Cost | Subtotal |
| Payroll benefits and taxes (Includes CDBG) | $460,500 | |
| Employee Live Scans | $650 | |
| Personnel Total | | $461,150 |
| | | |
| OPERATING COSTS | | |
| Mortgage | $72,300 | |
| Property Taxes, State Franchise Board, and IRS | $10,230 | |
| Water | $8,123 | |
| PG&E Utilities & Garbage | $12,875 | |
| Telephone | $2,980 | |
| Property Maintenance | $3,100 | |
| Food | $9,500 | |
| Insurance Liability | $17,600 | |
| Clothing | $1,800 | |
| Transportation | $21,000 | |
| Postage | $760 | |
| Office Supplies, Internet, Computers, Printers | $21,120 | |
| Retail Supplies/Tools & Equipment | $18,760 | |
| Activities | $13,100 | |
| Contractor's Fees | $5,600 | |
| Staff Development Training | $8,200 | |
| Drug Testing | $10,200 | |
| OPERATING COSTS TOTAL | | $237,248 |
| INDIRECT COSTS (10% of Operating Costs + Personnel) | | $71,359 |
| PROGRAM EXPENSES (Personnel + Operating + Indirect) | | **$769,757** |
| | | |
| TOTAL REVENUES | | |
| The GEO Group | | $576,821 |
| Solano County/BACS | | $11,019 |
| City of Vallejo | | $68,890 |
| Private Donations | | $12,501 |
| Alameda Courts | | $15,747 |
| Medi-Cal | | $34,779 |
| CDBG Grant | | $50,000 |
| TOTAL REVENUES | | **$769,757** |

BUDGET 2020/2021

| House of Acts / Residential Treatment Program 2020-2021 | | |
|---|---|---|
| | | |
| PERSONNEL | Cost | Subtotal |
| Payroll benefits and taxes (Minus CDBG) | $410,500 | |
| Employee Live Scans | $650 | |
| Personnel Total | | $411,150 |
| | | |
| OPERATING COSTS | | |
| Mortgage | $72,300 | |
| Property Taxes, State Franchise Board, and IRS | $10,230 | |
| Water | $8,123 | |
| PG&E Utilities & Garbage | $12,875 | |
| Telephone | $2,980 | |
| Property Maintenance | $3,100 | |
| Food | $9,500 | |
| Insurance Liability | $17,600 | |
| Clothing | $1,800 | |
| Transportation | $21,000 | |
| Postage | $760 | |
| Office Supplies, Internet, Computers, Printers | $21,120 | |
| Retail Supplies/Tools & Equipment | $18,760 | |
| Activities | $13,100 | |
| Contractor's Fees | $5,600 | |
| Staff Development Training | $8,200 | |
| Drug Testing | $10,200 | |
| OPERATING COSTS TOTAL | | $237,248 |
| INDIRECT COSTS (10% of Operating Costs + Personnel) | | $71,359 |
| PROGRAM EXPENSES (Personnel + Operating + Indirect) | | **$719,757** |
| | | |
| TOTAL REVENUES | | |
| The GEO Group | | $576,821 |
| Solano County/BACS | | $11,019 |
| City of Vallejo | | $68,890 |
| Private Donations | | $12,501 |
| Alameda Courts | | $15,747 |
| Medi-Cal | | $34,779 |
| TOTAL REVENUES | | **$719,757** |

**References**

**Archway Recovery Services**

Address: 1525 Union Ave
Fairfield, CA 94533
Phone (707) 435-1804

Brief Description: Archway Recovery Services is a program similar to the House of Acts. They offer most of the same services that we offer such as: Drug/Alcohol treatment, temporary housing, outpatient assistance, and a host of other services.

**Southern Solano Alcohol Council**

Address: 419 Pennsylvania Street
Vallejo, CA 94590
Phone (707) 643-2715

Brief Description: We refer individuals to each other's program. When we have a client that needs to detox, we send them to their organization. And when they have clients that need treatment they refer them to the House of Acts.

Emmanuel Temple Apostolic Church

Address: 900 6th Street
Vallejo, CA 94590
Phone (707) 642-2391

Brief Description: Emmanuel Temple and the House of Acts have worked together for many years. We have collaborated on many projects such as: feeding the homeless, supplying clothing for those in need and we support them annually in their National Night Out event.

ACORD

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 02/13/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Kerber Gost Insurance Agency
1754 Spyglass Circle
Vista, CA 92081
Egan Gost

CONTACT NAME: Egan Gost
PHONE (A/C, No, Ext): 661-330-4404 FAX (A/C, No):
E-MAIL ADDRESS: EganHelpsNonProfits@KerberGost.com

| INSURER(S) AFFORDING COVERAGE | NAIC # |
|---|---|
| INSURER A: NonProfits Insurance Alliance of California | 11384 |
| INSURER B: New York Marine and General Insurance Company | 16608 |
| INSURER C: | |
| INSURER D: | |
| INSURER E: | |
| INSURER F: | |

INSURED
House of Acts
627 Grant Street
Vallejo, CA 94589

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|---|---|---|---|---|---|---|---|---|
| A | [X] COMMERCIAL GENERAL LIABILITY<br>[ ] CLAIMS-MADE [X] OCCUR<br>[X] Professional Liability<br>GEN'L AGGREGATE LIMIT APPLIES PER:<br>[ ] POLICY [ ] PRO-JECT [X] LOC<br>[ ] OTHER | Y | | 2020-38883 | 01/27/2020 | 01/27/2021 | EACH OCCURRENCE | $ 1,000,000 |
| | | | | | | | DAMAGE TO RENTED PREMISES (Ea occurrence) | $ 500,000 |
| | | | | | | | MED EXP (Any one person) | $ 20,000 |
| | | | | | | | PERSONAL & ADV INJURY | $ 1,000,000 |
| | | | | | | | GENERAL AGGREGATE | $ 3,000,000 |
| | | | | | | | PRODUCTS - COMP/OP AGG | $ 1,000,000 |
| | | | | | | | Professional Liability | $ 1M / 3M |
| A | AUTOMOBILE LIABILITY<br>[X] ANY AUTO<br>[ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS<br>[X] HIRED AUTOS ONLY [X] NON-OWNED AUTOS ONLY | | | 2020-38883 | 01/27/2020 | 01/27/2021 | COMBINED SINGLE LIMIT (Ea accident) | $ 1,000,000 |
| | | | | | | | BODILY INJURY (Per person) | $ |
| | | | | | | | BODILY INJURY (Per accident) | $ |
| | | | | | | | PROPERTY DAMAGE (Per accident) | $ |
| | | | | | | | | $ |
| A | [X] UMBRELLA LIAB [X] OCCUR<br>[ ] EXCESS LIAB [ ] CLAIMS-MADE<br>[ ] DED [ ] RETENTION $ 10,000 | | | 2020-38883-UMB | 01/27/2020 | 01/27/2021 | EACH OCCURRENCE | $ 1,000,000 |
| | | | | | | | AGGREGATE | $ 1,000,000 |
| | | | | | | | | $ |
| B | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N [ ]<br>If yes, describe under DESCRIPTION OF OPERATIONS below | N / A | | WC201900017870 | 09/01/2019 | 09/01/2020 | [X] PER STATUTE [ ] OTH-ER | |
| | | | | | | | E.L. EACH ACCIDENT | $ 1,000,000 |
| | | | | | | | E.L. DISEASE - EA EMPLOYEE | $ 1,000,000 |
| | | | | | | | E.L. DISEASE - POLICY LIMIT | $ 1,000,000 |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The City of Vallejo, its officers, directors, employees, agents, and volunteers are listed as an additional insureds as it pertains to the operations of the named insured on their behalf per attached form CG 20 26 04 13.

CERTIFICATE HOLDER

The City of Vallejo
P.O. Box 1423
Vallejo, CA 94590

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Egan Gost

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## 14. CONFLICT OF INTEREST

House of Acts is concerned with conflicts of interest that create actual or potential job-related concerns, especially in the areas of confidentiality, customer relations, safety, security, and morale. If there is any actual or potential conflict of interest between you and a competitor, supplier, distributor, or contractor to The Organization, you must disclose it to the Office Administrator. If an actual or potential conflict of interest is determined to exist, The Organization will take such steps as it deems necessary to reduce or eliminate this conflict.

# Global Center for Success - Teaching Life Skills for Success Program

**CITY OF VALLEJO CDBG PROGRAM APPLICATION**
**PUBLIC SERVICES ACTIVITIES (Social Services Activities)**
**Fiscal Year 2022-23** *Covers July 1, 2022 - June 30, 2023*

## APPLICATION INSTRUCTIONS AND GENERAL INFORMATION

Application Instructions: This Excel-based Application Worksheet includes five (5) "tabs" which comprise the full application (see bottom of screen to scroll between tabs). The tabs include: Instructions and General Info; Application Questions; Budget; Schedule; and Doc Requirements. Applicants must complete and submit all portions of the Application to the City of Vallejo.

**General Information Instructions:** Complete all information in shaded cells. Print tab when completed and provide signature where indicated.

| | |
|---|---|
| Agency General Name | Global Center for Success, Inc. |
| Address 1 | 1055 Azuar Avenue |
| Address 2 | |
| City | Vallejo |
| State | California |
| Zip | 94592 |
| Main Telephone Number | 1(707) 562-5673 |
| Website Address | www.globalcenterforsuccess.org |
| EIN (XX-XXXXXXX) | 71-0896807 |
| DUNS Number (XXXXXXXXXXXXX) | |

**CEO/Executive Director**

| | |
|---|---|
| First Name | Richard |
| Last Name | Porter, Ed.D. |
| Title | Board President and Acting Executive Director |
| Email | rporter.gcs@gmail.com |
| Telephone | 1(707)246-4474 |

**Funding Request Summary and Program Contact**

| | |
|---|---|
| Activity/Program/Project Name | Teaching Life Skills for Success Program |
| Amount of FY20 CDBG Requested | $30,000 |
| Program Contact First Name | Richard |
| Program Contact Last Name | Porter |
| Program Contact Telephone | 1(707)246-4474 |
| Program Contact Email | rporter.gcs@gmail.com |

**Authorized Signature of Applicant submitting application**

| | |
|---|---|
| Full Name | Richard Porter, Ed.D. |
| Title | Board President and Acting Executive Director |
| Date: | February 1, 2022 |
| Signature: | Richard Porter, Ed.D. |

# CITY OF VALLEJO CDBG PROGRAM APPLICATION
## PUBLIC SERVICES ACTIVITIES (Social Services Activities)
## Fiscal Year 2022-23

*Covers July 1, 2022 - June 30, 2023*

**APPLICATION QUESTIONS**

**Instructions:** Respond to all questions indicated in shaded cells. Print tab when completed.

| Question # | Question Description | |
|---|---|---|
| 1 | **Enter the number of applications your agency is submitting for City of Vallejo CDBG Program funding. If more than one application, enter the numerical ranking of the priority of this proposal; e.g, "1 of 3" means you are submitting 3 applications and this one is the highest priority.** | 1 |
| 2 | **Enter the organization/agency type. Enter "X"** | |
| | Private, non-profit organization | X |
| | Public agency/department | |
| | Other | |
| 3 | **AGENCY DESCRIPTION: Provide description of the agency's mission and history, including number of years in existence. Describe agency's current strategic and/or operations plan.** | The mission of the Global Center for Success is to develop and teach life skills for success focusing on personal growth, health and wellness and employment for a global community. Our guiding vision and core value is "Teaching Life Skills for Success." 2022 marks our 21 years of service to the homeless community in Vallejo. GCS has not changed its core value of working alongside Vallejo's marginalized population by giving them a hands-up holistic skills training to become more engaged, productive and contributing community members. Our current and on-going strategic and operations plans include: establishing and developing more partnerships with vocational training institutions for hands-on and OJT for students with previous work experience prior to becoming homeless; refurbish our Computer Lab with newer computer equipment and technology; establish an internship partnership program with MI businesses with the goal of hiring our GCS graduates; recruit more volunteers (retired professionals and teachers) to teach and mentor GCS students; continue networking and collaborating with Resource Connect Solano County (operated by Caminar) to assist eligible GCS clients obtain permanent housing; expand collaboration with Solano County H&SS Department and other health organizations in the field of mental health and addiction recovery services. |
| 4 | **Is this a new project or activity?** | |
| | Yes | |
| | No | No |
| 5 | **OTHER CDBG FUNDING: If your agency has never received CDBG funding from the City of Vallejo, please list any CDBG funding received from other jurisdictions in the last 5 years (jurisdiction, amount, and purpose). Enter N/A if not applicable.** | GCS received CDBG funding for several years from the City of Vallejo. Our last funding was FY2019-2020. |

6 **CAPACITY: Describe your agency's capacity to conduct the activity program/project (previous federal grants management, staff experience and capacity, fiscal resources, etc.).**

The number of students GCS serves has reduced significantly since the start of the COVID pandemic in March 2020. While we had to close our main campus on MI, GCS continues to hold off-site classes at the Christian Help Center. Our training classes were also reduced for lack of teacher volunteers which was understandable because of the pandemic. We hope to ramp up our services again in 2022 with when we return to "normal times". Our combined staff experience totals 107+ years in the field of supportive human services and education. We will continue to expand our experience as we reach out to other organizations engaged in the field of mental health and addiction recovery services.

7 **PROPOSED PROGRAM ACTIVITY DESCRIPTION: Provide a description of the activity/program/project ffor which your agency is seeking funding. NOTE: Agencies applying to assist homeless persons must coordinate with Resource Connect Solano operated by Caminar, a non-profit organization, to be considered for funding. Describe how the activity/program/project will coordinate with Resource Connect Solano, if applicable.**

GCS will provide the following services: Case management and follow-up; life skills classes and support groups; Financial and Education Literacy, Outdoor Health and Wellness classes including Tai Chi and Gardening; Health for the Homeless Clinic by the Solano County Health & Social Services Dept; Health & Nutrition Education by Touro University students; Employment Assistance Services; Assistance with Bus Passes, DMV ID Cards, Birth Certificates, SSI/SDI Benefit Applications; Haircuts and Clothes for Job Interviews and Work. We will continue to collaborate with Resource Connect Solano/Caminar. Caminar outreaches to Global once or twice a month as appropriate to introduce and educate GCS students about their organization and mission. They assess our students for housing assistance using the Coordinated Entry System in coordination with the GCS Case Manager. We collaborate with Caminar in case management, resource sharing information with their partners as well as resources relating to mental health services. We will continue to have a solid partnership with Resource Connect Solano.

8 **ACTIVITY/PROGRAM IMPLEMENTATION: Describe how the activity/program will be implemented, administered, and operated.**

The Life Sills for Success Program is a series of classes and/or groups or activities held every day or twice a week for six weeks month by month. The helping process begins with the Intake and Assessment of Needs conducted by the GCS SeniorCase Manager including an orientation of the services GCS provides. Classes are mostly held in the mornings to enable the students to do their appointments or commitments in the afternoon. GCS will award Certicates of Completion to students who complete the six week program at ceremonies to highlight their accomplishments. Families of students are invited to attend these happy graduation events. We anticipate to hold five to eight events during the grant period depending on the number of students who complete the program.

9 **NEED FOR PROGRAM/ACTIVITY: Describe the problem(s), need(s), issue(s) or service gap(s) to support the need for this project in the City of Vallejo. Include Vallejo demographics, statistics, report citations, etc.**

"The most recent survery of homeless residents conducted in Solano County in 2019 found there were 1,151 people who were homeless and 81% - more than 900 people lacked shelter. Half reported living in Vallejo at some point during the previous year."(wwwvallejosun.com). This number included sheltered and unsheltered persons in families and sheltered and unsheltered individuals (Data Summary: CA - 518 Vallejo/Solano County CoC Point-In-Time Count Summary). The homeless problem was further exacerbated when the COVID pandemic hit which displaced low-wage earners from their residences. Meeting the social services needs of displaced individuals and families in Vallejo is critical especially during these times. As a social service support agencyr, GCS is committed to do its part in supporting the efforts of the City of Vallejo to move marginalized individuals and families up the hierarchy of needs as described in Abraham Maslow's Theory of Need(www.masterclass.com).

**USE OF VALLEJO CDBG FUNDS: Describe in detail how Vallejo's CDBG funds will be used within the activity/program/project. Describe how the project is cost effective and the budget is reasonable for the**

10 **anticipated result.**

Funding from CDBG will be used to pay direct expenses (salaries and wages) of personnel working directly with GCS students and other expenses associated with the supportive services GCS will provide in connection with our Teaching Life Skills for Success Program. Based on the minimum number of students we propose to serve, it would cost $480 per person per year to serve 150 clients. As we are able to serve more students this cost will be reduced.,

**TARGET POPULATIONS: Describe the population your agency will serve with these funds and how they will**

11 **benefit from the implementation of the activity/program/project.**

The GCS program will target homeless individuals and families and families with children in the Vallejo Unified School District. Homeless individuals with 0-30% AMI will be assisted in applying for mainstream public benefits and referred to Resource Connect Solano for housing services. Our supportive services will be holistic: we will engage the whole body, mind and spirit so participants can discover and achieve their potential and become productive members of our community. Rather than clients, we will call our program participants "students of life".

**OUTREACH: Explain how your agency will outreach to low income, limited English speakers, and/or disabled persons. How will each of these groups access the activity/program/project for which your agency is**

12 **requesting funding?**

We currently partner with the Christian Help Center and we will seek partnerships with other agencies working with CDBG targeted populations. There is a Title 1 Elementary School at Mare Island and we plan to reach out to the Academic Support Provider(ASP) to build relationship and introduce our supportive services programs for school parents and children.

**COLLABORATION: Identify the organizations with which your agency partners, and describe their relevant**

13 **capabilities that result in greater service integration.**

Organizations which we collaborate include: The Christian Help Center. CHC provides temporary lodging, food and laundry services to guests. Majority of GCS students come from the shelter. Resource Connect Solano/Caminar. This organization assesses GCS students for housing assistance using the Coordinated Entry System which they provide. The Solano Health and Social Services Department operates the Health for the Homeless Clinic at Mare Island through a collaborative agreement with GCS. Other partners include the Catholic Charities, Fighting Back Partnership, Dextox Center, Smith House, Solano County Mental Health and Shamia Mental Health and Shamia House. These partners enable us to meet the students' specific needs.

**LEVERAGING: Describe leveraging or sustainability efforts your agency is implementing to maintain service**

14 **levels.**

GCS will continue to reach out and champion our mission and vision to foundattions and funders whose priorities match our mission and vision. Our annual fundraiser, The Community Prayer Breakfast, has been cancelled for the last two years because of COVID. GCS will continue with our Annual Prayer Breakfast Event at the right time. We plan to create a Resource Develoment group of retired professionals experience in fund raising who are supportive of our mission and vision.

15 **EFFECT IF NOT FUNDED: If this application does not receive funding, what will be the effect on the activity/program/project?**

If we do not receive CDBG funding, our social services program will be severely impacted. Our staff hours will be reduced greatly which will be detrimental to our students.

16 **POPULATIONS TO BE SERVED: Indicate population(s) that will be served (mark "X") for ALL that apply).**

| | |
|---|---|
| Extremely Low Income Persons (Incomes 30% or less of AMI) | x |
| Very Low Income Persons (Incomes 31-50% AMI) | x |
| Low Income Persons (Incomes 51-80% AMI) | |
| Seniors 62 years and older | x |
| Lower income families with children attending Vallejo City Unified School District | x |
| Homeless Persons or Families | x |
| Persons or families at risk of homelessness | x |
| Persons with mental illness | x |
| Persons with developmental disabilities | |
| Persons with physical disabilities | |
| Persons living with AIDS/HIV-related illness | |
| Victims of domestic violence | |
| Veterans | x |
| Other target population (describe) | |

17 **CDBG PROGRAM OBJECTIVE: Select ONE objective that relates to your activity (Tip: When selecting, ask "What is the purpose of the activity? What is the larger community need that I am seeking to address?" (Mark "X" in selected objective)**

| | |
|---|---|
| Creating a suitable living environment | |
| Providing decent affordable housing | |
| Creating economic opportunities | x |

18 **CDBG PROGRAM OUTCOME: Select ONE outcome that relates to your activity (TIP: When selecting, ask "What type of change or result am I seeking?" (Mark "X" in applicable category)**

| | |
|---|---|
| Availability/Accessibility | |
| Affordability | |
| Sustainability | x |

19 **COMMON INDICATOR: Choose a common indicator that your agency will use to track clients - Mark "X" in selected category.**

| | |
|---|---|
| Persons | x |
| Households | |

20 **# CLIENTS TO BE SERVED: For the category you selected in Question #19, provide the total number of unduplicated Vallejo clients your agency anticipates serving through this activity/program/project.**

| | |
|---|---|
| # Unduplicated Vallejo Clients | 150 |

**# CLIENTS TO BE SERVED BY INCOME AND TYPE: Based on the common indicator you selected above, provide**
21 **the number of unduplicated Vallejo clients your agency anticipates serving in each category listed below.**

| | |
|---|---|
| Low Income (51-80% AMI) | |
| Very Low Income (31-50% AMI) | 20 |
| Extremely Low Income (0-30% AMI) | 40 |
| Disabled | |
| Female Headed Households | 5 |
| Seniors | 25 |
| Youth | 20 |
| Homeless | 40 |

**# CLIENTS TO BE SERVED BY RACE/ETHNICITY: Enter the number of clients your agency anticipates serving in the following race/ethnicity categories. The sum of numbers must match the total clients entered in Question**
22 **#21 above. Per HUD, "Hispanic" is an ethnicity, and not a separate race.**

| | |
|---|---|
| White | 46 |
| White + HISPANIC | 27 |
| Black/African American | 68 |
| Black/African American + HISPANIC | |
| Asian | 9 |
| Asian + HISPANIC | |
| American Indian/Alaskan Native | |
| American Indian/Alaskan Native + HISPANIC | |
| Native Hawaiian/Other Pacific Islander | |
| Native Hawaiian/Other Pacific Islander + HISPANIC | |
| American Indian/ Alaskan Native and White | |
| American Indian/ Alaskan Native and White + HISPANIC | |
| Asian and White | |
| Asian and White + HISPANIC | |
| Black/African American and White | |
| Black/African American and White + HISPANIC | |
| American Indian/Alaskan Native and Black/African American | |
| American Indian/Alaskan Native and Black/African American + HISPANIC | |
| Other Multi Racial | |
| Other Multi Racial + HISPANIC | |
| **TOTAL** | **150** |

**ELIGIBILITY VERIFICATION: Describe intake process and how information will be obtained to determine clients'**
23 **Vallejo residency status, and household and income eligibility under the CDBG Program requirements.**

The GCS Senior Case Manager will be the first point-of-contact for students entering the Teaching Life Skills for Success Program. The Case Manager will conduct the Assessment Interview using Valllejo's CDBG Public Service Activity/Program Certification of Income Form and the HMIS Data Collection Form for Solano County's Coordinated Entry System administered by Resource Connect. There will be an orientation of GCS services. Annual income and income source(s) will be required to determine eligibility to receive services including proof of income. Acceptable documents include award letters from governmental agencies, pay or check stubs from employment source(s) or bank deposits, if any.

**ADDITIONAL INFORMATION (OPTIONAL): Applicants may include additional description regarding presented**
24 **information if desired.**

Partnership and collaboration is very important to GCS since no organization is an island. By working together, we can be more successful in meeting the needs of Vallejo's vulnerable and at-risk populations. It is a win-win for the Vallejo community.

# CITY OF VALLEJO CDBG PROGRAM APPLICATION
# PUBLIC SERVICES ACTIVITIES (Social Services Activities)
# Fiscal Year 2022-23

*Covers July 1, 2022 - June 30, 2023*

## ACTIVITY/PROGRAM BUDGET

**Instructions:** Enter the budget in the shaded cells for the proposed activity or program to be implemented in the City of Vallejo with CDBG funds. Under Funding Sources section, enter all funding sources (including other non-CDBG funding sources, if applicable) related to the proposed activity or program to be implemented in the City of Vallejo (e. g., foundation name, individual contributions, in-kind contributions, other federal/state or local public funding source/s, etc.), the amount of funding requested, and the amount committed. Under Funding Uses section, at Column A enter additional types of expenses if applicable; at Column C enter the line item budget by expense type; at Column E enter only the Vallejo CDBG funding requested amounts, by line item/expense type. Print tab when completed.

| Funding Sources | Amount Requested | Amount Committed |
|---|---|---|
| **Enter Amount of Vallejo FY2022-23 CDBG Request** | **$30,000** | **n/a** |
| Other Source: Callison Foundation | $20,000 | $20,000 |
| Other Source: Space Rentals | $17,000 | |
| Other Source: PB Financial Literacy Grant Share ( not confirmed at this point) | | |
| Other Source: Donations | $5,000 | |
| **TOTAL** | **$ 72,000** | **$ 20,000** |

| Funding Uses | Total Activity/ Program/ Project Budget | Amount Requested from Vallejo CDBG |
|---|---|---|
| Personnel: Salaries (see instructions below) | $36,700 | $30,000 |
| Personnel: Benefits (see instructions below) | $300 | $ - |
| Operating: Supplies | $250 | $ - |
| Operating: Printing/Copying | $50 | $ - |
| Operating: Postage | $150 | $ - |
| Operating: Telephone | $2,500 | $ - |
| Operating: Rent and Utilities | $11,000 | $ - |
| Operating: Accounting/Audit | $500 | $ - |
| Operating: __Payroll Service_____ | $2,500 | $ - |
| Operating: _Insurance_____ | $5,000 | $ - |
| **TOTAL** | **$ 58,950** | **$ 30,000** |

| |
|---|
| Budget Narrative: Discuss and justify the items and amounts entered above. If using CDBG for salaries/benefits, list each employee, their position/title, and the percentage of their salary and benefits (e.g., 0.10 FTE) that will be paid with CDBG funds. The City of Vallejo will provide CDBG funds to pay for direct costs only. |
| All funds requested from CDBG are for salaried and stipend employees who are providing direct services to underserved target population: Charlotte Webb/ Senior Case Manager (.67% FTE); Ronald De la Torre/Life Skills Educator (.83% PTE); Open, Job Development and Employment Readiness Facilitator (.67% PTE); Susan Averitt/Financial Education Instructor (.75% PTE) |

## CITY OF VALLEJO CDBG PROGRAM APPLICATION
## PUBLIC SERVICES ACTIVITIES (Social Services Activities)
## Fiscal Year 2022-23

*Covers July 1, 2022- June 30, 2023*

### TIMELINE/PROGRAM SCHEDULE

**Instructions:** Provide a timeline below in the shaded cells showing the specific actions/milestones to be taken to implement the proposed CDBG-funded activity or program in Column A. Enter month/year milestone will be completed in Column C. Enter "not started", "underway", or "completed" in Column E for completion status. The CDBG Program requires timely expenditure of funds, and funding will be made available for the July 1, 2022 through June 30, 2023 period. Print tab when completed.

| COLUMN A | COLUMN C | COLUMN E |
|---|---|---|
| Actions/Milestones | Month/Year to be started | Month/Year Completed |
| Outreach and Intake of New Students (Cycle 1) | *July-22* | *July-22* |
| Begin Six Weeks Life Skills for Success Classes | *July-22* | mid Aug 2022 |
| Graduation Ceremony | | EOM Aug |
| Outreach and Intake of New Students (Cycle 2) | Sep-22 | Sep-22 |
| Begin Six Weeks Life Skills for Success Classes | Sep-22 | mid Oct 2022 |
| Graduation Ceremony | | EOM Oct 2022 |
| Outreach and Intake of New Students (Cycle 3) | November-22 | November-22 |
| Begin Six Weeks Life Skills for Success Classes | November-22 | mid Dec 2022 |
| Graduation Ceremony | | EOM Dec2022 |
| Outreach and Intake of New Students (Cycle 4) | January-23 | January-23 |
| Begin Six Weeks Life Skills for Success Classes | January-23 | mid-Feb 2023 |
| Graduation Ceremony | | EOM Feb 2023 |

Schedule Narrative: Include a narrative to accompany the timeline/program schedule, (optional).

Classes will continue through the end of June 2023 for a total of 6 cycles. Make-up classes for those unable to complete their classes will be available in weeks prior to each graduation ceremony. This schedule is flexible and is subject to change and/or modification as appropriate to accomodate the needs of GCS students.

**CITY OF VALLEJO CDBG PROGRAM APPLICATION**
**PUBLIC SERVICES ACTIVITIES (Social Services Activities)**
**Fiscal Year 2022-23**
*Covers July 1, 2022 - June 30, 2023*

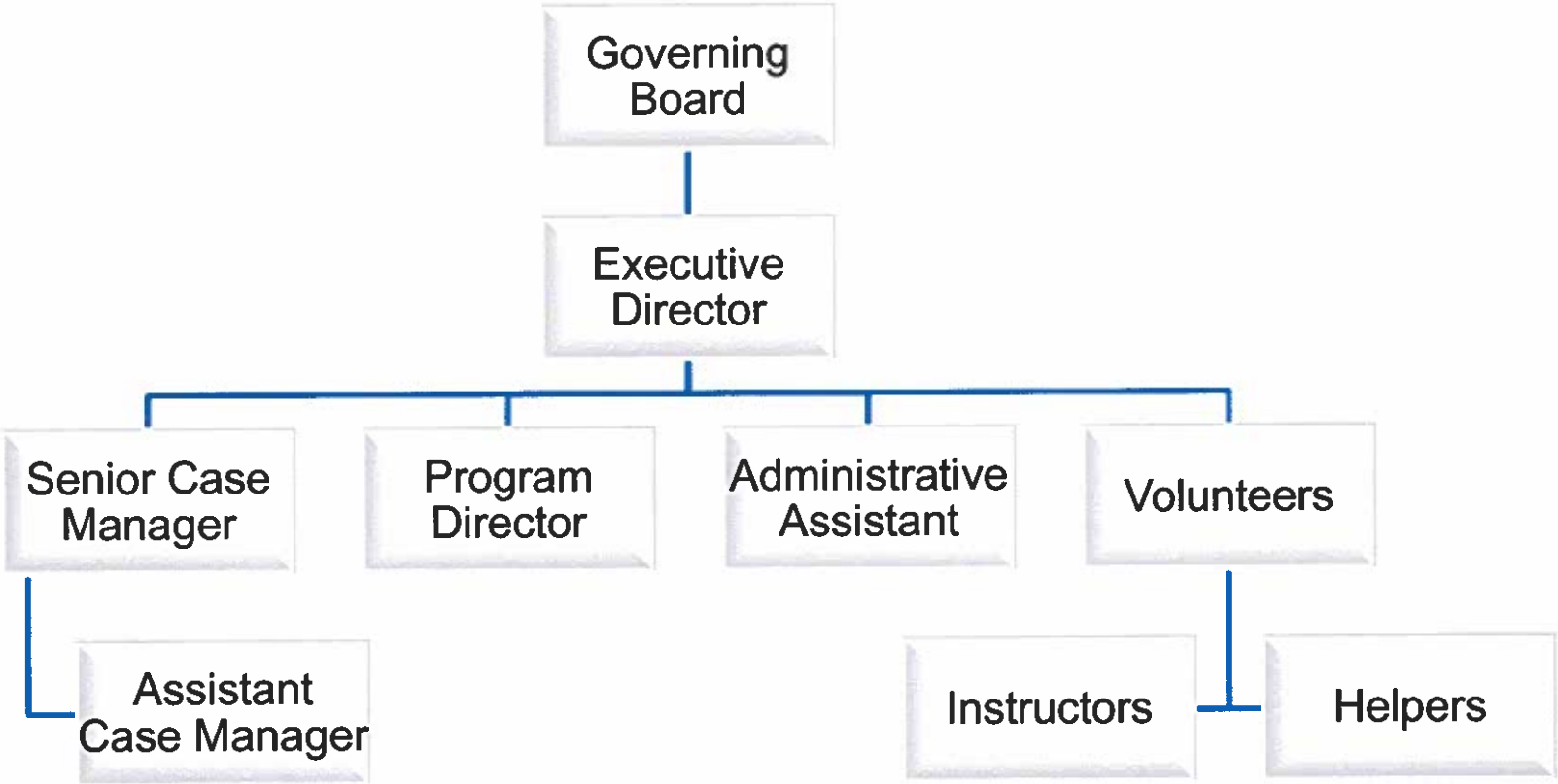
## APPLICATION SUPPORTING DOCUMENT REQUIREMENTS

**Instructions:** Review document submittal requirements to ensure completeness of application and complete shaded cells. Print tab when completed. FOR NEW APPLICANTS ONLY: Organizations/agencies NOT currently receiving CDBG Program funds in FY 2022-23 are required to submit Items #15-20. (Organizations receiving FY 2021-22 CDBG funding are not required to submit these items.)

| Item # | Document Name | Included with Application? Yes/No/"n/a" |
|---|---|---|
| 1 | Completed General Information Tab | Yes |
| 2 | Completed Application Questions Tab | Yes |
| 3 | Completed Budget Tab | Yes |
| 4 | Completed Schedule Tab | Yes |
| 5 | Completed Doc Requirements Tab | Yes |
| 6 | Organizational Chart | Yes |
| 7 | Resumes of Executive Director, Program Manager, and Fiscal Officer | ~~Yes~~ No - PROGRAM MANAGER RESUME MISSING. |
| 8 | Resumes of Key Agency Personnel who will be associated with proposed public service activity | Yes |
| 9 | Agency Board of Directors Roster including identification of Board officers, addresses, telephone numbers, and description of general area of board member's expertise | Yes |
| 10 | Resolution authorizing application submittal and authorized signatory for application and contract documents | Yes |
| 11 | Agency's total budget (CDBG and non-CDBG) for prior two fiscal years | ~~Yes~~ No - 2020/21 BUDGET MISSING. |
| 12 | References: Name, address, telephone, email for references on three (3) recent similar programs or projects, including brief description of work provided by the agency for each reference | Yes |
| 13 | Copy of current insurance coverages for the agency/organization, including workers' compensation | Yes |
| 14 | Agency Conflict of Interest Statement | ~~Yes~~ No - MISSING |
| 15 | State and Federal (IRS) nonprofit determination letters | ~~Yes~~ No - STATE LTR MISSING. |
| 16 | Articles of Incorporation | Yes |
| 17 | Bylaws | Yes |
| 18 | Financial Statements or Audits for last 3 fiscal years | Yes |
| 19 | Written Fiscal/Accounting Policies and Procedures/HR Policies & Procedures | Yes |
| 20 | Written Personnel Policies and Procedures including Affirmative Action Plan and Grievance Procedure | Yes |

GLOBAL CENTER FOR SUCCESS.

# Global Center for Success Organizational Chart



# CURRICULUM VITAE

**RICHARD PORTER, ED.D.**

32 Woodridge Place, Vallejo, CA 94591 | 707.246.4474 | rporter@dr.com

## EDUCATION

- Nova Southeastern University, Ft. Lauderdale, FL
  - **Ed.D. in Educational Leadership** **2006**
  - Dissertation: "The Importance of Parental Involvement in Middle School"
- Bethany University
  - **Teacher Credential Program (CA Teaching Credential)** **1996**
- Golden Gate Baptist Theological Seminary
  - **M.Div. in Ministry and Old Testament Studies** **1981**
- San Francisco State University
  - **B.A. in Humanities** **1976**
  - Areas of Concentration: Sociology
  - Minor: Speech

## EDUCATIONAL LEADERSHIP EXPERIENCE

- **High School Teacher, North Hills Christian Schools, Vallejo, CA** **2017-Present**
  - Teaching Algebra II and Geometry
- **Middle School Teacher, Franklin Middle School, Vallejo, CA** **2014 - 2015**
  - Teaching a self-contained, multiple subject class in public school
- **Administration: Chinese Christian Schools** **2013-2014**
  - Prepared School Accreditation (School awarded with 6 year accreditation)
  - Helped: finances (balanced budget), field trips, student activities
- **Principal, Chinese Christian Schools** **2012-2013**
  - Directed Alameda campus (K-8)
  - Developed websites for two campuses: ccsalameda.org; ccssanleandro.org
- **Adjunct Professor – Golden Gate Baptist Seminary** **2011-2013**
  - Instructor for "Administration in Ministry Leadership"
- **Principal Chinese American Schools** **2009 – 2013**
  - Developed an international recruitment program for Chinese Christian Schools
  - International student population grew from 13 to 75
- **Principal – North Hills Christian Schools** **1988 – 2008**
  - Directed entire school program and operation
  - Developed website: north-hills.org

## RELATED EXPERIENCE

- **Middle School Teacher – San Mateo Christian Academy** **1981 – 1988**
  - Taught multiple subjects in a small, private school
- **Executive Director – Global Center for Success (Vallejo)** **2015-Present**
  - Oversight of educational services to the homeless & underserved
- **Lead Agent – Vallejo Housing Collaborative** **2017-Present**
  - Responsible for all financial transactions and accounting
- **Board Member/Treasurer – Vallejo Choral Society** **2012-Present**
  - Responsible for all financial transactions and accounting

Referrals upon request

**RENATO REY BERNARDES (Fiscal Officer)**
**1055 Azuar Drive, Vallejo, CA 94592  707-246-8744**
**bernardes@aol.com**

**Global Pastor at The Lord's Fellowship Church Assembly of God – 1983 - present**

**Founder and President at Christian Help Center Vallejo – 1983 - present**

**Founder of The Reynaissance Family Center – 1999 – present**

**Founder of Global Center for Success – 2000- present**

**Former NCO at U.S. Army – 1972-1978**

**Studied at Bethany University Bachelor's of Science Pastoral Ministry - 1981**

**Vallejo Senior High School - 1972**

**Lives in Vallejo, California**

**Charlotte M. Webb**
2027 Ellenburg St Vallejo, CA 94590
Home (707) 557-5711 Cell (707) 712-7856 Work (707) 562-5673
charlotte@globalcenterforsuccess.org

## Summary of Qualifications:

- Above average communication and inter-personal skills.
- Ability to work in an unstructured environment.
- Value confidentiality, inter-agency networking and collaboration.
- Above average resource base.
- Excellent problem solving skills.
- Certificate in Human Services.
- 14 years in the field of Human Services.
- Above average people skills.

## Work Related Skills and Experience:

- Assist clients in permanent/transitional housing.
- Work closely with clients to assess needs and eligibility for services.
- Advocate for clients so they can receive the best services to meet their need.
- Work closely with Mental Health.
- Extensive follow- up
- Maintain a directory of community services in Solano Co and neighboring countries.
- Work closely with clients to ensure their progression in meeting their goal.
- Work closely with clients to ensure their goal in recovery/rehabilitation.
- Train/Oversee all Interns from Solano Community College.

## Work History:

- Senior Case Manager
  Global Center Mare Island Vallejo, CA
  2001 - present
- Senior Case Manager
  Christian Help Center Vallejo, CA
  1997 - present
- Case Manager
  Catholic Social Services Vallejo, CA
  1999-2001

## Education & Training:

- Solano County Smoke Cessation Facilitator Certification 2005
- Solano College Certificate Human Services 2004
- Certificate PTSD Pfizer 2003
- Cross County University Certificate Personality Disorders 2003
- Training Adult Day Care Rohnert Park Certificate 2001
- Green Tech Skills Center Certificate of Achievement 2000
- Fredrick Douglas Senior High Diploma Baltimore, MD

Susan Avirett R.N.
1146 Valle Vista Ave
Vallejo, CA 94589
hp1day@earthlink.net
Cell 707-320-8110

Summary of Qualifications:

Associate Degree in Nursing, 1984. Retired in 2017.
I initiated my career in the medical profession as a nursing assistant then completed Licensed Vocational Nurse training.
Raised in poverty. Lifelong independent research to secure financial stability.
Former owner of an Interior Design business.

Work Related Skills and Experience:

Forty plus years in the medical profession. I worked for thirty years in hospitals.
I worked on Med-Surg units, in Orthopedics, OB GYN, Cardiac Surgery and Newborn Nursery units.
My last 12 years I was at the Advice and Call Center, in Vallejo for Kaiser Permanente.

Work History:

3/31/1975 First day at Kaiser Permanente, hired as a Nursing Assistant. I then became a Licensed Vocational Nurse and then in 1984 I became a Registered Nurse. I retired from Kaiser in 2016.
2016 Hired at Collabria Care Hospice on Jefferson Street, Napa, CA. Retired 2017.

Education and Training:

Associate Degree in Nursing from Excelsior College, Albany NY, 1984.
Frequent training and updates at Kaiser Permanente over many years.
2004 Advice RN training.
Real Estate and Investment Class 2001 at Alameda Junior College.

# GLOBAL CENTER FOR SUCCESS
# 2022 BOARD OF DIRECTORS

Richard Porter, E.D. (Education/Community Services)
**President/Acting Executive Director**
32 Woodridge Place, Vallejo, CA 94591
Tel: (707) 246-4474

Charles Davis (Community Engagement for At-Risk Youth)
**Vice-President**
Timothy Murphy School
One St. Vincent Drive, San Rafael, CA 94903
Tel: (707) 373-8367

Charles Kelley (Transportation)
**Treasurer**
Retired SF Muni Bus Driver
669 Belvedere Drive, Benicia, CA 94510
Tel: (707) 655-9977

Rey M. Bernardes (Homeless Community Services)
426 East Poplar Avenue, Vallejo, CA 94592
Tel: (707) 245-8744
**Director/Fiscal Officer**

Michael Brown (Transportation Services, Transformation)
**Director**
Michael's Transportation Service
140 Yolano Drive, Vallejo, CA 94589
Tel: (707) 333-2504

James Jackson (Retired US Postal Services Management)
**Director**
189 Molina Avenue, Vallejo, CA 94591
Tel: (707) 712-8284

Rev. 1/22

# Global Center for Success

**"Teaching Basic Life Skills for Success"**

February 2, 2022

SPECIAL BOARD RESOLUTION

WHEREAS, the City of Vallejo Housing and Community Development Division issued a Request for Proposals from non-profit agencies to provide social (public services) in the City of Vallejo using Community Development Block Grant (CDBG) program funds; and

Global Center for Success is a non-profit corporation that is eligible and wishes to apply for and receive CDBG funding; and

If Global Center for Success receives a grant from the City of Vallejo Housing and Community Development Division, it certifies that all uses of the funds will be in compliance with the CDBG Regulations and Contract.

NOW, THEREFORE, BE IT RESOLVED THAT:

The Board of Directors of Global Center for Success hereby authorizes Richard Porter, Ed.D., (Acting Executive Director, Global Center for Success, to execute all required certifications, apply for and accept CDBG funding in the amount of not more than $50,000.00 and to sign the Standard Agreement, any subsequent amendments thereto, and where applicable, any CDBG documents associated with the City of Vallejo Housing and Community Development Division of not more than $50,000.00, as well as perform any and all responsibilities in relationship to such contract.

PASSED AND ADOPTED at the regular Board Meeting of the Global Center for Success this 2nd day of February, 2022.

Richard Porter, Ed.D.

Richard Porter, Ed.D.
President of the Board
(Acting Executive Director)
Global Center for Success

1055 Azuar Drive · Mare Island, Vallejo, CA · 94592
Phone: 707-562-5673 · FAX: 707-562-5675
Email: rporter.gcs@gmail.com www.globalcenterforsuccess.org
Facebook: www.facebook.com/globalcenterforsuccess
Tax ID: 71-0896807

# Global Center for Success

**"Teaching Basic Life Skills for Success"**

Roll Call for Vote:

- Richard Porter, Ed.D., President\ (Acting Executive Director) — Yes
- Charles Davis, Vice-President — Yes
- Rey M. Bernardes, Director — Yes
- Charles Kelley, Treasurer — Yes
- James Jackson, Director — Yes
- Michael Brown, Director — Absent

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Facebook: www.facebook.com/globalcenterforsuccess
Tax ID: 71-0896807

# Global Center for Success Budget 2021-2022

| | Budgeted | |
|---|---|---|
| **Income** | | |
| 3110 Revenue-Donations Individual | $ | 2,000.00 |
| 3120 Revenue-Rental | $ | 20,000.00 |
| 3130 Revenue - Fundraising Events | $ | 10,000.00 |
| 3170 Revenue - Miscellaneous (Interest) | $ | 150.00 |
| 3500 Program Revenue - Grants | $ | 45,000.00 |
| 9990 Uncategorized Income | $ | 100.00 |
| | | |
| Total Income | **$** | **77,250.00** |
| | | |
| **Expenses** | | |
| 4100 Salaries/Payroll Expenses (inc.WC) | $ | 35,000.00 |
| 41140 Professional Fees for Services | $ | 1,200.00 |
| 4115 Office Leased Equipment | $ | 5,000.00 |
| 4121 Office Supplies | $ | 1,200.00 |
| 4122 DMV Expense | $ | - |
| 4123 Utilities | $ | 12,000.00 |
| 4124 Repairs & Maintenance | $ | 3,000.00 |
| 4125 Insurance | $ | 12,000.00 |
| 4127 Professional Services | $ | 500.00 |
| 4011 Fundraising Expenses | $ | 6,000.00 |
| 4014 Miscellaneous Expenses | $ | 250.00 |
| 4126 Taxes/Fees/Penalties | $ | 1,000.00 |
| 4500 Grant Program Expenses | $ | 100.00 |
| | | |
| **Total Expenses** | **$** | **77,250.00** |
| | | |
| Total Profit/ (Loss) | $ | - |

# Global Center for Success

**"Teaching Basic Life Skills for Success"**

## Global Center for Success References

**Christian Help Center**
2166 Sacramento St, Vallejo, CA 94590, (707) 553-8192
Contact Person: Rey Bernardes, Acting Executive Director, (707) 246-8744

- GCS receives clients from CHC on a daily basis. The clients receive the primary services offered by GCS: Case Management, Life Skills classes, Employment Assistance services, Clothing for Success, and Housing referral services using

**Solano County Family Health Services**
365 Tuolumne St, Vallejo, CA 94590, (707) 553-5509
Contact Person: Patrick Stasio, Health Assistant, (707) 344-3743

- SCFHS comes to GCS every Thursday to offer services to GCS clients as well as any qualifying individual who comes to GCS on Thursdays.

- CHC has an agreement partnership with Solano County H&HS Department for the Healthcare for Success Clinic at our Mare Island campus.. The clinic is temporarily closed at this time because of the current pandemic.

**Resource Connect Solano/Caminar**
902 Tuolumne St, Vallejo, CA 94590, (707) 652-7311
Contact Person: Kandy Piresburt (707) 652-7311

- Caminar is the Coordinated Entry Center for Solano County housing services. GCS works closely with Caminar for housing referrals and public assistance resources. GCS is listed as a ROI ( Release of Information) partner agency to share data as needed on the HMIS (Homeless Management Information System) operated by Caminar.

*1055 Azuar Drive · Mare Island, Vallejo, CA · 94592*
*Phone: 707-562-5673 · FAX: 707-562-5675*
*Email: rporter.gcs@gmail.com* www.globalcenterforsuccess.org
*Facebook:* www.facebook.com/globalcenterforsuccess
*Tax ID: 71-0896807*

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 10/21/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

**PRODUCER**
AG Financial Insurance Solutions, LLC
3900 S Overland Ave
Springfield MO 65807

CONTACT NAME: Colleen Broughton
PHONE (A/C, No, Ext): (866) 662-8210 FAX (A/C, No): (417) 447-7475
E-MAIL ADDRESS: cbroughton@agfinancial.org

| INSURER(S) AFFORDING COVERAGE | NAIC # |
|---|---|
| INSURER A : Church Mutual Insurance Company | 18767 |
| INSURER B : | |
| INSURER C : | |
| INSURER D : | |
| INSURER E : | |
| INSURER F : | |

**INSURED**
VALLEJO LORDS FELLOWSHIP OF THE ASSEMBLIES OF GOD AND
GLOBAL CENTER FOR SUCCESS
1055 AZUAR AVE # 737
VALLEJO CA 94592-1041

**COVERAGES** **CERTIFICATE NUMBER:** 052519-22 COI/GL **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|---|---|---|---|---|---|---|---|---|
| A | [X] COMMERCIAL GENERAL LIABILITY<br>[ ] CLAIMS-MADE [X] OCCUR<br>GEN'L AGGREGATE LIMIT APPLIES PER:<br>[X] POLICY [ ] PRO-JECT [ ] LOC<br>[ ] OTHER: | Y | | 0672841-02-214888 | 05/25/2019 | 05/25/2022 | EACH OCCURRENCE | $ 2,000,000 |
| | | | | | | | DAMAGE TO RENTED PREMISES (Ea occurrence) | $ 1,000,000 |
| | | | | | | | MED EXP (Any one person) | $ 5,000 |
| | | | | | | | PERSONAL & ADV INJURY | $ 2,000,000 |
| | | | | | | | GENERAL AGGREGATE | $ 5,000,000 |
| | | | | | | | PRODUCTS - COMP/OP AGG | $ 2,000,000 |
| | | | | | | | | $ |
| A | AUTOMOBILE LIABILITY<br>[ ] ANY AUTO<br>[X] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS<br>[ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY | Y | | 0672841-09-089792 | 06/15/2020 | 06/15/2021 | COMBINED SINGLE LIMIT (Ea accident) | $ 1,000,000 |
| | | | | | | | BODILY INJURY (Per person) | $ |
| | | | | | | | BODILY INJURY (Per accident) | $ |
| | | | | | | | PROPERTY DAMAGE (Per accident) | $ |
| | | | | | | | Medical payments | $ 5,000 |
| A | [X] UMBRELLA LIAB [X] OCCUR<br>[ ] EXCESS LIAB [ ] CLAIMS-MADE<br>[ ] DED [X] RETENTION $ 10,000 | | | 0672841-81-024277 | 06/15/2019 | 06/15/2022 | EACH OCCURRENCE | $ 1,000,000 |
| | | | | | | | AGGREGATE | $ 1,000,000 |
| | | | | | | | | $ |
| A | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N [N]<br>If yes, describe under DESCRIPTION OF OPERATIONS below | N / A | | 0672841-07-141740 | 10/17/2020 | 10/17/2021 | [X] PER STATUTE [ ] OTH-ER | |
| | | | | | | | E.L. EACH ACCIDENT | $ 1,000,000 |
| | | | | | | | E.L. DISEASE - EA EMPLOYEE | $ 1,000,000 |
| | | | | | | | E.L. DISEASE - POLICY LIMIT | $ 1,000,000 |
| A | Non-Owned and Hired Autos | | | 0672841-02-214888 | 05/25/2019 | 05/25/2022 | NO/Hired Auto Liability | 2,000,000 |

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES** (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Commercial General Liability Additional Insured: City of Vallejo and the Vallejo Housing Authority, its officers, agents and employees, subject to the coverage provided by the referenced policy per Additional Insured Designated Person or Organization Form A2014.1 (12-07), and Additional Insured on Business Auto policy per Form CA20481013, regarding the Named Insured's CDBG grant.
ATTN: Guy Ricca, Sr Community Development Analyst

**CERTIFICATE HOLDER**

City of Vallejo,Vallejo Housing Authority
200 Georgia St
Vallejo CA 94590

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# ADDITIONAL INSURED DESIGNATED PERSON OR ORGANIZATION FOR SPECIFIC ACTIVITY – PRIMARY

Additional Insured Person(s) or Organization(s):

Name: The City of Vallejo, its officers, agents and employees

Address: 200 Georgia St

Vallejo (City) CA (State) 94590 (ZIP)

Activity: CDBG Grant

Date(s): January 1, 2022 - May 25, 2022

The General Liability Additional Provisions Form is amended to add the following:

The Who is An Insured paragraph is amended to include as an insured the person(s) or organization(s) as shown above, but only with respect to "bodily injury," "property damage," personal injury," and "advertising injury" liability arising solely out of the operations of the Named Insured that are directly related to the activity shown above and only for the dates shown above.

Subject to paragraph one above, the insurance provided by this endorsement is primary to any applicable insurance issued specifically to the person(s) or organization(s) identified above and no insurance of the person(s) or organization(s) listed above shall be called on to contribute to a loss, notwithstanding any provision to the contrary in the General Liability Coverage Form.

The insurance afforded by this endorsement shall not be canceled except after 30 days prior written notice has been given to the insured organization listed above.



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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# DESIGNATED INSURED FOR COVERED AUTOS LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:**
VALLEJO LORDS FELLOWSHIP OF THE ASSEMBLI

**Endorsement Effective Date:**
06/15/2021

**SCHEDULE**

**Name Of Person(s) Or Organization(s):**
VALLEJO HOUSING COLLABORATIVE LLC
CITY OF VALLEJO, VALLEJO HOUSING AUTHORITY

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph **A.1.** of Section **II** – Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph **D.2.** of Section **I** – Covered Autos Coverages of the Auto Dealers Coverage Form.


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INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date:
JUN 03 2007

GLOBAL CENTER FOR SUCCESS INC
1055 AZUAR DR
VALLEJO, CA 94592-1041

Employer Identification Number:
71-0896807
DLN:
17053097904147
Contact Person:
THOMAS C KOESTER
ID# 31116
Contact Telephone Number:
(877) 829-5500
Public Charity Status:
170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated November 2002, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading.

Please keep this letter in your permanent records.

Sincerely yours,

Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)

# ARTICLES OF INCORPORATION
# OF
# THE SUCCESS CENTER

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

SEP 12 2002

BILL JONES, Secretary of State

I

The name of this corporation is THE SUCCESS CENTER.

II

A. This corporation is a nonprofit **Public Benefit Corporation** and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for **public and charitable purposes.**

B. The specific purpose of this organization is to provide skills training, employment and housing assistance, and support group processes to poor, needy and homeless men, women, families and children.

III

The name and address in the State of California of this corporation's initial agent for service of process is:

Mr. Rey Bernardes
1055 Azuar Drive, Mare Island
Vallejo, California 94592

IV

A. This corporation is organized and operated exclusively for **charitable** purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code.

B. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

V

The property of this corporation is irrevocably dedicated to **charitable** purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member there of or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for **charitable** purposes and which has established its tax exempt status under Section 501 (c) (3), Internal Revenue Code.

Rey Bernardes

Eric Sheets

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

OCT 2 8 2002

BILL JONES, Secretary of State

The undersigned certify that:

1. They are the president and secretary, respectively, of The Success Center, a California corporation.

2. ArticlesIV and V of the Articles of Incorporation of this corporation is amended to read as follows:

IV

A. The purposes for which the corporation is organized is exclusivelyfor charitable purposes within the meaning of section 501 (c) (3)of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue law.

B. Notwithstanding any other provision of these articles, this organization shall not carry on any activities not permitted to be carried on by an organization exempt from Federal income tax under section 501 (c) (3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue law.

V

Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501 (c) (3)of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code, or shall be distributed to the Federal, state or local government for a public purpose. Any assets not so disposed of shall be disposed of by the Court of Common Pleas, of the county in which the principal office of the corporation is then located, exclusively for such purposes.

3. The foregoing amendment of Articles of Incorporation has been dulyapproved by the board of directors.

4. The corporation has no members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: 10/28/02

Rey Bernardes, President

Eric W. Sheets, Secretary

OFFICE OF THE SECRETARY OF STATE

2400002

## SECRETARY OF STATE

I, *BILL JONES*, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.

***IN WITNESS WHEREOF,*** I execute this certificate and affix the Great Seal of the State of California this day of

SEP 1 2 2002

Bill Jones

Secretary of State

Sec/State Form CE-107 (rev. 9/98)

OSP 02 69666

## SECRETARY OF STATE

I, *BILL JONES*, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.

***IN WITNESS WHEREOF***, I execute this certificate and affix the Great Seal of the State of California this day of

OCT 28 2002

Bill Jones

Secretary of State

Sec/State Form CE-107 (rev. 9/98)

OSP 02 69666

# THE SUCCESS CENTER
# BY-LAWS

## ARTICLE 1: PURPOSE

This corporation is organized exclusively for charitable activities. The primary mission of The Success Center is to provide supportive human services programs, including but not limited to, training and education; job development and employment assistance; transitional and permanent housing services to homeless and needy men, women, teens and families; that will lead to wholeness and success.

## ARTICLE II: MEMBERSHIP

The Board of Directors of this corporation are its only members. This corporation has no members beyond the directors.

## ARTICLE III: BOARD OF DIRECTORS

The Board of Directors shall consist of not more than nine (9) members. The term of office is one year from the date of election.

## ARTICLE IV: RESIGNATION OR REMOVAL

Any director, member(s) of a committee or other officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein.

Three (3) months of continued unexcused absence from the regular meetings, and after a thorough investigation by the Board as to the reasons for the absence, constitutes a resignation.

Any officer, director or member of a committee may be removed from office with or without cause at any time by two-thirds vote of the directors.

## ARTICLE V: ELECTION AND VOTING

The election of Board members and officers shall be held at the annual meeting to be held on the first Sunday after January 1st of each calendar year.

Nominations and manner of election and voting for the Board of Directors and Officers will be conducted and decided by the directors.

Vacancies are to be filled by election at any regular meeting or by a special meeting to be called at any time by the President with concurrence of the directors.

## ARTICLE VI: OFFICERS

The officers of the Board shall consist of: President, Vice-President, Treasurer and Secretary.

The term of office of the officers is one (1) year from the date of their election.

## ARTICLE VII: EXECUTIVE COMMITTEE

The Executive Committee shall consist of the President, the Executive Director, Vice-President, Administration and Finance Director, Secretary and Treasurer.

The Executive Committee shall meet at such times as is deemed necessary, and shall present, at monthly and special meetings of the Board, an outline of matters, conferring as may be required or deemed necessary, with staff, and shall summarize its transactions at regular meetings of the Board.

## ARTICLE VIII: DUTIES OF THE BOARD

### Section 1: Board of Directors

The Board of Directors or their designated alternate shall transact all business in connection with the financial, special or public policy of the corporation, receiving reports from each officer of the Board and the chairperson of Ad-Hoc and Standing Committees.

### Section 2: President

The President shall preside at all meetings of the Board of Directors and shall serve as Chair of the Executive Committee.

### Section 3: Vice-President

The Vice-President shall perform the duties of the President in the event of the President's absence.

### Section 4: Secretary

The Secretary shall keep a record of all meetings. At each regular meeting, the minutes of the previous meeting shall be properly presented.

### Section 5: Treasurer

The Treasurer shall keep safely all monies belonging to The Success Center, using banking institution(s) as the Board shall designate. Monthly financial reports are to be given to the Board at each meeting.

The Treasurer and the President or Executive Director shall sign all checks, drafts, or other orders for payment of money, notes, or other evidences of indebtedness issued in the name of the corporation.

Section 6: Executive Director

The Executive Director shall be responsible for implementing the operational, financial and developmental goals of The Success Center. The Executive Director has direct supervision of the Success Center staff, both volunteers and paid.

ARTICLE IX: COMMITTEES

The Standing Committees shall be the Building and Maintenance Committee, the Finance Committee, Community Relations Committee, Advisory Board Committee, and such others as the Board of Directors may establish.

The Executive Committee shall designate the Chairman and members of all Standing Committees;

Committee Chairpersons must be a member of the Board of Directors. Committee members do not have to be members of the Board.

All Committees shall, through their Chairperson, make final reports and shall report at each regular meeting of the work they have been chartered.

Ad Hoc Committees may be appointed at any time by the Board.

ARTICLE X: QUORUM

Two-thirds of the directors shall constitute a quorum for conducting regular business.

ARTICLE XI: RULES OF ORDER

In cases where these by-laws are silent, the conduct of business shall be in accordance with ROBERTS RULES OF ORDER.

ARTICLE XII: BOOKS AND PAPERS

Books and papers shall be kept in the Executive offices and shall at all times during business hours be open to the inspection of any member of the Board of Directors.

ARTICLE XIII: CUSTODY OF BY-LAWS

These By-Laws shall always remain in the possession of the Secretary of The Success Center. Upon election to the Board, every new director shall be given a copy.

ARTICLE: XIV: AMENDMENTS

These By-Laws may be amended by a two-thirds vote at any annual, regular or special meeting of the Board where two-thirds of the directors in good standing are present.

# Profit & Loss
## July 2020 through June 2021

| | | | | Jul '20 - Jun 21 |
|---|---|---|---|---|
| Ordinary Income/Expense | | | | |
| Income | | | | |
| 3100 · General Program Revenues | | | | |
| 3110 · Donations & Contributions | | | | |
| 3112 · Individual Donors | | | 1,830.02 | |
| 3115 · Organization-Donations | | | 38.93 | |
| 311910 · Solano Dream Center | | | 900.00 | |
| 311911 · Terry Ballard | | | 900.00 | |
| Total 3110 · Donations & Contributions | | | | 3,668.95 |
| 3120 · Revenue-Rental | | | | |
| 3122 · Rental Revn- SolanoHHS | | | 3,600.00 | |
| 3123 · AA Rental Tuesday | | | 100.00 | |
| 3129A · US Military Veit Center | | | 5,200.00 | |
| 3129E · Sustainable Solano Inc-Rent | | | 3,000.00 | |
| Total 3120 · Revenue-Rental | | | | 11,900.00 |
| 3500 · Grant Program Revenue | | | | |
| 3510 · CDBG-Grant | | | 29,370.01 | |
| 3540 · Vallejo People Garden | | | | |
| 3171 · PG&E Care Program | | 350.00 | | |
| Total 3540 · Vallejo People Garden | | | 350.00 | |
| 3590 · Callison F. Grant | | | 25,000.00 | |
| Total 3500 · Grant Program Revenue | | | | 54,720.01 |
| Total 3100 · General Program Revenues | | | | 70,288.96 |
| 3175 · ICFM - Event Revenue | | | | 70.00 |
| 35035 · KNJ Financial Mag Inc | | | | 39,155.07 |
| Total Income | | | | 109,514.03 |
| Gross Profit | | | | 109,514.03 |
| Expense | | | | |
| 4100 · General Program Expenditures | | | | |
| 4110 · Salaries/Benefits/Payroll Expen | | | | |
| 4111 · Salaries & Wages Expenses | | | | |
| 41113 · GCS's salary Expense | | 27,850.04 | | |
| Total 4111 · Salaries & Wages Expenses | | | 27,850.04 | |
| 4112 · Employee Incentives & Benefits | | | | |
| 411211 · Workmen's Comp Insurance | | 168.36 | | |
| Total 4112 · Employee Incentives & Benefits | | | 168.36 | |
| Total 4110 · Salaries/Benefits/Payroll Expen | | | | 28,018.40 |
| 41140 · Professional Fees For Services | | | | |
| 41141 · Paychex -Payroll Service Fee | | | 2,713.90 | |
| 41154 · GCS's Tax Prep Expense | | | 500.00 | |
| 41216 · Spectrum Voip Phone Service | | | 1,721.07 | |
| Total 41140 · Professional Fees For Services | | | | 4,934.97 |
| 4120 · Materials & Services | | | | |
| 4121 · Office Supplies & Equipments | | | | |
| 412111 · Office Supplies | | 957.05 | | |
| Total 4121 · Office Supplies & Equipments | | | 957.05 | |

# Profit & Loss
## July 2020 through June 2021

| | | | | Jul '20 - Jun 21 |
|---|---|---|---|---|
| 4123 · Utilities | | | | |
| 412311 · GCS's Water | 2,373.11 | | | |
| 412313 · Telephone GCFS/LFC | 3,301.07 | | | |
| 412315 · Gas and Electric | 2,945.73 | | | |
| 412316 · Fire Protection-GCS Water | 3,350.76 | | | |
| 412317 · Irrigation -GCS Water | 833.39 | | | |
| Total 4123 · Utilities | | 12,804.06 | | |
| 4124 · General Repairs & Maintenance | | | | |
| 412414 · Bay Alarm | 2,454.87 | | | |
| 412415 · Fire Equipment Maint | 640.90 | | | |
| Total 4124 · General Repairs & Maintenance | | 3,095.77 | | |
| 4125 · Insurance Expenses | | | | |
| 412511 · Auto Insurance | 324.00 | | | |
| 412512 · Gen Liability Insurance | 6,552.03 | | | |
| 412513 · Church Mutual Insurance | 168.36 | | | |
| Total 4125 · Insurance Expenses | | 7,044.39 | | |
| Total 4120 · Materials & Services | | | 23,901.27 | |
| 4170 · Miscellaneous Expenses | | | | |
| 41701 · Bank Charge | | 248.43 | | |
| 41701A · Bank Overdraft Charge | | 5.00 | | |
| 41703 · GCS Site Web Hositng | | 228.00 | | |
| 41706 · Building Miscellaneous | | 521.84 | | |
| Total 4170 · Miscellaneous Expenses | | | 1,003.27 | |
| Total 4100 · General Program Expenditures | | | | 57,857.91 |
| 4126 · Taxes/Fees/Licenses/Penalties | | | | |
| 4113 · Payroll Taxes | | | 2,322.61 | |
| 412611 · Franchise Tax Board | | | 60.00 | |
| 41266 · Unsecured Property Tax | | | 117.30 | |
| Total 4126 · Taxes/Fees/Licenses/Penalties | | | | 2,499.91 |
| 4500 · Grant Program Expenses | | | | |
| 4510 · CDBG-Grant Expenses | | | | |
| 4511 · CDBG-Prior Yr Grant Expenses | | | | |
| 451114 · CDBG Stipend Expense | 1,055.62 | | | |
| Total 4511 · CDBG-Prior Yr Grant Expenses | | 1,055.62 | | |
| Total 4510 · CDBG-Grant Expenses | | | 1,055.62 | |
| 4540 · Vallejo People's Garden Expense | | | 360.00 | |
| 45705 · PB Grant - KNJ Mag Inc Reimb | | | 39,155.07 | |
| Total 4500 · Grant Program Expenses | | | | 40,570.69 |
| 4580 · Depreciation Expense | | | | 4,292.00 |
| Total Expense | | | | 105,220.51 |
| Net Ordinary Income | | | | 4,293.52 |
| Net Income | | | | 4,293.52 |

# Profit & Loss
## July 2019 through June 2020

| | | | Jul '19 - Jun 20 |
|---|---|---|---|
| Ordinary Income/Expense | | | |
| Income | | | |
| 3100 · General Program Revenues | | | |
| 3110 · Donations & Contributions | | | |
| 3112 · Individual Donors | | 2,617.76 | |
| 3114 · United Way Donation | | 608.24 | |
| 3115 · Organization-Donations | | 536.16 | |
| 31190 · John Petty | | 1,000.00 | |
| 311901 · Samuel Mayson | | 1,800.00 | |
| 311902 · Vincent Bordeuax | | 800.00 | |
| Total 3110 · Donations & Contributions | | | 7,362.16 |
| 3120 · Revenue-Rental | | | |
| 3121 · AA Mare Island Sunday | | 450.00 | |
| 3122 · Rental Revn- SolanoHHS | | 3,600.00 | |
| 3123 · AA Rental Tuesday | | 540.00 | |
| 312904 · KNJ Mag Inc | | 1,800.00 | |
| 31291 · Pharm Fresh | | 3,600.00 | |
| 3129A · US Military Veit Center | | 4,400.00 | |
| 3129E · Sustainable Solano Inc-Rent | | 2,400.00 | |
| Total 3120 · Revenue-Rental | | | 16,790.00 |
| 3130 · Revenue from Fundraising Event | | | |
| 3131 · Community/Mayor's Pryr Brkfst | | 4,725.00 | |
| Total 3130 · Revenue from Fundraising Event | | | 4,725.00 |
| 3170 · Miscellaneous Revenue | | | |
| 3172 · Interest Income | | 50.00 | |
| Total 3170 · Miscellaneous Revenue | | | 50.00 |
| 3500 · Grant Program Revenue | | | |
| 3510 · CDBG-Grant | | | |
| 3512 · Grant Revenue-Current Year | 9,537.25 | | |
| Total 3510 · CDBG-Grant | | 9,537.25 | |
| 3538 · Kaiser Permenate Grant Revenues | | 3,000.00 | |
| 3540 · Vallejo People Garden | | | |
| 3171 · PG&E Care Program | | 0.00 | |
| 33543 · Kaiser Grant - VPG | | 200.00 | |
| Total 3540 · Vallejo People Garden | | 200.00 | |
| 3590 · Callison F. Grant | | | |
| 3591 · Grant Rev - Current Year | 25,000.00 | | |
| Total 3590 · Callison F. Grant | | 25,000.00 | |
| 3599 · PB - Grant Revenue | | | |
| 3599 A · PB - Current Year Revenue | | | |
| 3599AC · PB - KHJ Finmancial | 32,774.79 | | |
| Total 3599 A · PB - Current Year Revenue | 32,774.79 | | |
| Total 3599 · PB - Grant Revenue | | 32,774.79 | |
| Total 3500 · Grant Program Revenue | | | 70,512.04 |
| Total 3100 · General Program Revenues | | | 99,439.20 |

# Profit & Loss
## July 2019 through June 2020

| | | | Jul '19 - Jun 20 |
|---|---|---|---|
| 3175 · ICFM - Event Revenue | | | 50.00 |
| 34153 · Reimbursement Received | | | 1,664.37 |
| 35035 · KNJ Financial Mag Inc | | | 14,285.19 |
| 3534 · Suspension/Markup | | | 300.00 |
| Total Income | | | 115,738.76 |
| Gross Profit | | | 115,738.76 |
| Expense | | | |
| 4100 · General Program Expenditures | | | |
| 4110 · Salaries/Benefits/Payroll Expen | | | |
| 4111 · Salaries & Wages Expenses | | | |
| 41113 · GCS's salary Expense | 27,751.04 | | |
| Total 4111 · Salaries & Wages Expenses | | 27,751.04 | |
| 4112 · Employee Incentives & Benefits | | | |
| 411211 · Workmen's Comp Insurance | 308.66 | | |
| Total 4112 · Employee Incentives & Benefits | | 308.66 | |
| Total 4110 · Salaries/Benefits/Payroll Expen | | | 28,059.70 |
| 41140 · Professional Fees For Services | | | |
| 41141 · Paychex -Payroll Service Fee | | 2,713.00 | |
| 41154 · GCS's Tax Prep Expense | | 500.00 | |
| 41215 · Deepnet Computer Consulting | | 1,328.32 | |
| 41216 · Spectrum Voip Phone Service | | 704.78 | |
| Total 41140 · Professional Fees For Services | | | 5,246.10 |
| 4120 · Materials & Services | | | |
| 4121 · Office Supplies & Equipments | | | |
| 412111 · Office Supplies | | 256.15 | |
| 412112 · Postage | | 149.03 | |
| 412117 · Printers Ink | | 46.48 | |
| Total 4121 · Office Supplies & Equipments | | 451.66 | |
| 4122 · DMV/Transportation & Travel Exp | | | |
| 412215 · DMV-Vehicles Regist & Renewal E | | 153.00 | |
| Total 4122 · DMV/Transportation & Travel Exp | | 153.00 | |
| 4123 · Utilities | | | |
| 412311 · GCS's Water | | 1,174.15 | |
| 412313 · Telephone GCFS/LFC | | 2,478.72 | |
| 412315 · Gas and Electric | | 5,231.67 | |
| 412316 · Fire Protection-GCS Water | | 1,552.55 | |
| 412317 · Irrigation -GCS Water | | 421.43 | |
| Total 4123 · Utilities | | 10,858.52 | |
| 4124 · General Repairs & Maintenance | | | |
| 412414 · Bay Alarm | | 1,521.81 | |
| Total 4124 · General Repairs & Maintenance | | 1,521.81 | |
| 4125 · Insurance Expenses | | | |
| 412511 · Auto Insurance | | 297.00 | |
| 412512 · Gen Liability Insurance | | 4,938.56 | |
| Total 4125 · Insurance Expenses | | 5,235.56 | |
| 4127 · Professional Services | | 235.00 | |
| Total 4120 · Materials & Services | | | 18,455.55 |

# Profit & Loss
## July 2019 through June 2020

| | | | | Jul '19 - Jun 20 |
|---|---|---|---|---|
| 4130 · Fundraising Event Expenses | | | | |
| 4133 · Community/Mayors Pryr Brkfst | | | | |
| 413313 · Hall Expenses | 1,184.00 | | | |
| 4133148 · Contribution/Tithing -MPB | 100.00 | | | |
| Total 4133 · Community/Mayors Pryr Brkfst | | 1,284.00 | | |
| 4144 · ICFM FundraisingExpense | | 10.00 | | |
| Total 4130 · Fundraising Event Expenses | | | 1,294.00 | |
| 4170 · Miscellaneous Expenses | | | | |
| 41701 · Bank Charge | | 286.00 | | |
| 417010 · GCS - RefundReimbursement | | 1,664.37 | | |
| 417012 · Checks Order Expense | | 152.36 | | |
| 41703 · GCS Site Web Hositng | | 228.00 | | |
| 41709 · Miscel Appreciation | | 1,222.62 | | |
| Total 4170 · Miscellaneous Expenses | | | 3,553.35 | |
| Total 4100 · General Program Expenditures | | | | 56,608.70 |
| 4126 · Taxes/Fees/Licenses/Penalties | | | | |
| 4113 · Payroll Taxes | | | 2,314.98 | |
| 412611 · Franchise Tax Board | | | 25.00 | |
| 412614 · Other Penalties | | | 1,575.00 | |
| 41266 · Unsecured Property Tax | | | 124.16 | |
| Total 4126 · Taxes/Fees/Licenses/Penalties | | | | 4,039.14 |
| 4500 · Grant Program Expenses | | | | |
| 4510 · CDBG-Grant Expenses | | | | |
| 4511 · CDBG-Prior Yr Grant Expenses | | | | |
| 451114 · CDBG Stipend Expense | 2,371.34 | | | |
| Total 4511 · CDBG-Prior Yr Grant Expenses | | 2,371.34 | | |
| Total 4510 · CDBG-Grant Expenses | | | 2,371.34 | |
| 4540 · Vallejo People's Garden Expense | | | | |
| 4541 · VPG-Prior Yr Grant Expenses | | 1,664.10 | | |
| 454113 · Kaiser Grant -VPG Expense | | 695.06 | | |
| Total 4540 · Vallejo People's Garden Expense | | | 2,359.16 | |
| 45451 · Building Repair - Prior Yr Reha | | | 4,768.36 | |
| 45705 · PB Grant - KNJ Mag Inc Reimb | | | 14,285.19 | |
| Total 4500 · Grant Program Expenses | | | | 23,784.05 |
| 4576 · Uncategorized Expenses | | | | 450.00 |
| 4580 · Depreciation Expense | | | | 4,292.00 |
| 4598 A · KNJ Mag Inc | | | | 32,774.79 |
| Total Expense | | | | 121,948.68 |
| Net Ordinary Income | | | | -6,209.92 |
| Net Income | | | | **-6,209.92** |

# Profit & Loss
## July 2018 through June 2019

| | | | Jul '18 - Jun 19 |
|---|---|---|---|
| Ordinary Income/Expense | | | |
| Income | | | |
| 3100 · General Program Revenues | | | |
| 3110 · Donations & Contributions | | | |
| 3112 · Individual Donors | | 2,830.00 | |
| 3114 · United Way Donation | | 718.65 | |
| 3115 · Organization-Donations | | 1,513.20 | |
| 3116 · In-Kind Donations | | 100.00 | |
| 31190 · John Petty | | 2,450.00 | |
| 311901 · Samuel Mayson | | 1,800.00 | |
| 311902 · Vincent Bordeuax | | 1,700.00 | |
| Total 3110 · Donations & Contributions | | | 11,111.85 |
| 3120 · Revenue-Rental | | | |
| 3121 · AA Mare Island Sunday | | 700.00 | |
| 3122 · Rental Revn- SolanoHHS | | 3,600.00 | |
| 3123 · AA Rental Tuesday | | 600.00 | |
| 312904 · KNJ Mag Inc | | 900.00 | |
| 3129A · US Military Veit Center | | 3,600.00 | |
| Total 3120 · Revenue-Rental | | | 9,400.00 |
| 3130 · Revenue from Fundraising Event | | | |
| 3131 · Community/Mayor's Pryr Brkfst | | 8,350.00 | |
| Total 3130 · Revenue from Fundraising Event | | | 8,350.00 |
| 3170 · Miscellaneous Revenue | | | |
| 3172 · Interest Income | | 30.00 | |
| Total 3170 · Miscellaneous Revenue | | | 30.00 |
| 3500 · Grant Program Revenue | | | |
| 3510 · CDBG-Grant | | | |
| 3512 · Grant Revenue-Current Year | 9,291.47 | | |
| Total 3510 · CDBG-Grant | | 9,291.47 | |
| 3538 · Kaiser Permenate Grant Revenues | | 20,000.00 | |
| 3540 · Vallejo People Garden | | | |
| 33543 · Kaiser Grant - VPG | 250.00 | | |
| Total 3540 · Vallejo People Garden | | 250.00 | |
| 3590 · Callison F. Grant | | 25,000.00 | |
| Total 3500 · Grant Program Revenue | | | 54,541.47 |
| Total 3100 · General Program Revenues | | | 83,433.32 |
| 3175 · ICFM - Event Revenue | | | 24,341.14 |
| Total Income | | | 107,774.46 |
| Gross Profit | | | 107,774.46 |
| Expense | | | |
| 4100 · General Program Expenditures | | | |
| 4110 · Salaries/Benefits/Payroll Expen | | | |
| 4111 · Salaries & Wages Expenses | | | |
| 41113 · GCS's salary Expense | 25,930.00 | | |
| Total 4111 · Salaries & Wages Expenses | | 25,930.00 | |

# Profit & Loss
## July 2018 through June 2019

| | | Jul '18 - Jun 19 |
|---|---|---|
| 4112 · Employee Incentives & Benefits | | |
| 411211 · Workmen's Comp Insurance | 364.78 | |
| Total 4112 · Employee Incentives & Benefits | | 364.78 |
| Total 4110 · Salaries/Benefits/Payroll Expen | | 26,294.78 |
| 41140 · Professional Fees For Services | | |
| 41141 · Paychex -Payroll Service Fee | | 2,602.40 |
| 41154 · GCS's Tax Prep Expense | | 800.00 |
| 41211 · online WebCost | | 314.06 |
| Total 41140 · Professional Fees For Services | | 3,716.46 |
| 4120 · Materials & Services | | |
| 4121 · Office Supplies & Equipments | | |
| 412111 · Office Supplies | 2,519.72 | |
| 412112 · Postage | 45.96 | |
| 412115 · Office Max | 863.77 | |
| 412117 · Printers Ink | 434.75 | |
| 412118 · Computer Software | 296.06 | |
| Total 4121 · Office Supplies & Equipments | | 4,160.26 |
| 4122 · DMV/Transportation & Travel Exp | | |
| 412211 · Vehicle Fuel Expenses | 20.00 | |
| 412213 · Car/Van - Repair & Maintenance | 38.65 | |
| Total 4122 · DMV/Transportation & Travel Exp | | 58.65 |
| 4123 · Utilities | | |
| 412311 · GCS's Water | 1,158.69 | |
| 412313 · Telephone GCFS/LFC | 2,092.90 | |
| 412315 · Gas and Electric | 4,973.51 | |
| 412316 · Fire Protection-GCS Water | 2,990.42 | |
| 412317 · Irrigation -GCS Water | 496.38 | |
| Total 4123 · Utilities | | 11,711.90 |
| 4124 · General Repairs & Maintenance | | |
| 412414 · Bay Alarm | 1,769.43 | |
| 412415 · Fire Equipment Maint | 2,932.32 | |
| Total 4124 · General Repairs & Maintenance | | 4,701.75 |
| 4125 · Insurance Expenses | | |
| 412511 · Auto Insurance | 351.00 | |
| 412512 · Gen Liability Insurance | 5,621.41 | |
| Total 4125 · Insurance Expenses | | 5,972.41 |
| Total 4120 · Materials & Services | | 26,604.97 |
| 4130 · Fundraising Event Expenses | | |
| 4133 · Community/Mayors Pryr Brkfst | | |
| 413312 · Food Expenses | 1,926.00 | |
| 413313 · Hall Expenses | 1,441.48 | |
| 4133146 · Professional Fees | 99.00 | |
| 4133148 · Contribution/Tithing -MPB | 300.00 | |
| Total 4133 · Community/Mayors Pryr Brkfst | | 3,766.48 |
| 4144 · ICFM FundraisingExpense | | 22,930.13 |
| Total 4130 · Fundraising Event Expenses | | 26,696.61 |

# Profit & Loss
## July 2018 through June 2019

| | | | Jul '18 - Jun 19 |
|---|---|---|---|
| 4170 · Miscellaneous Expenses | | | |
| 41701 · Bank Charge | | 36.00 | |
| 417010 · GCS - RefundReimbursement | | 352.66 | |
| 41703 · GCS Site Web Hositng | | 161.50 | |
| 41705 · Traning Graduation Expense | | 500.16 | |
| 41706 · Building Miscellaneous | | 575.73 | |
| 41708 · Miscellaneous -Food/Enter | | 503.19 | |
| 41709 · Miscel Appreciation | | 1,917.18 | |
| 41711 · Membership | | 44.95 | |
| Total 4170 · Miscellaneous Expenses | | | 4,091.37 |
| Total 4100 · General Program Expenditures | | | 87,404.19 |
| 4126 · Taxes/Fees/Licenses/Penalties | | | |
| 4113 · Payroll Taxes | | | 2,146.16 |
| 412611 · Franchise Tax Board | | | 82.61 |
| 412613 · Other Licenses | | | 4.00 |
| 412614 · Other Penalties | | | 8.00 |
| 41266 · Unsecured Property Tax | | | 122.44 |
| Total 4126 · Taxes/Fees/Licenses/Penalties | | | 2,363.21 |
| 4500 · Grant Program Expenses | | | |
| 4510 · CDBG-Grant Expenses | | | |
| 4511 · CDBG-Prior Yr Grant Expenses | | | |
| 451114 · CDBG Stipend Expense | 2,190.00 | | |
| Total 4511 · CDBG-Prior Yr Grant Expenses | | 2,190.00 | |
| Total 4510 · CDBG-Grant Expenses | | | 2,190.00 |
| 4540 · Vallejo People's Garden Expense | | | |
| 454112 · VPG Miscelleneaous | | 156.29 | |
| 454113 · Kaiser Grant -VPG Expense | | 6,306.20 | |
| 4542 · VPG-Current Yr Grant Expenses | | | |
| 454212 · VPG-Transfer to Sub-grantee | 914.78 | | |
| 4542 · VPG-Current Yr Grant Expenses - Other | 2,352.94 | | |
| Total 4542 · VPG-Current Yr Grant Expenses | | 3,267.72 | |
| Total 4540 · Vallejo People's Garden Expense | | | 9,730.21 |
| 45705 · PB Grant - KNJ Mag Inc Reimb | | | |
| 45705 A · Current Year Grant Expense | | 300.00 | |
| Total 45705 · PB Grant - KNJ Mag Inc Reimb | | | 300.00 |
| Total 4500 · Grant Program Expenses | | | 12,220.21 |
| 4580 · Depreciation Expense | | | 4,292.00 |
| Total Expense | | | 106,279.61 |
| Net Ordinary Income | | | 1,494.85 |
| Net Income | | | 1,494.85 |

# Balance Sheet
## As of June 30, 2021

| | | Jun 30, 21 |
|---|---|---|
| **ASSETS** | | |
| Current Assets | | |
| Checking/Savings | | |
| 1000 · Cash | | |
| 1001 · Global Center Checking - 5863 | 332.30 | |
| 1008 · GCS' Chking BOA - 3251 27625331 | 19,412.17 | |
| Total 1000 · Cash | | 19,744.47 |
| Total Checking/Savings | | 19,744.47 |
| Total Current Assets | | 19,744.47 |
| Fixed Assets | | |
| 1200 · Fixed Assets | | |
| 1201 · Donated Furn & Office Eqpt | 35,612.00 | |
| 1202 · External Windows | 79,760.00 | |
| 1210 · Accumulated Depreciation | -66,837.00 | |
| Total 1200 · Fixed Assets | | 48,535.00 |
| Total Fixed Assets | | 48,535.00 |
| **TOTAL ASSETS** | | **68,279.47** |
| **LIABILITIES & EQUITY** | | |
| Liabilities | | |
| Current Liabilities | | |
| Accounts Payable | | |
| 2020 · Accounts Payable | | -5,606.60 |
| Total Accounts Payable | | -5,606.60 |
| Other Current Liabilities | | |
| 2010 · Other Current Liability | | |
| 20107 · Payroll Clearing | 1,639.66 | |
| Total 2010 · Other Current Liability | | 1,639.66 |
| Total Other Current Liabilities | | 1,639.66 |
| Total Current Liabilities | | -3,966.94 |
| Total Liabilities | | -3,966.94 |
| Equity | | |
| 30000 · Opening Balance Equity | | 4,708.50 |
| 32000 · Retained Earnings | | 83,097.72 |
| Net Income | | -15,559.81 |
| Total Equity | | 72,246.41 |
| **TOTAL LIABILITIES & EQUITY** | | **68,279.47** |

# Balance Sheet
## As of June 30, 2020

| | | Jun 30, 20 |
|---|---|---|
| **ASSETS** | | |
| **Current Assets** | | |
| **Checking/Savings** | | |
| **1000 · Cash** | | |
| **1001 · Global Center Checking - 5863** | 414.37 | |
| **1008 · GCS' Chking BOA - 3251 27625331** | 10,456.30 | |
| **1012 · ICFM -Checking (054-649694)** | 41.00 | |
| **Total 1000 · Cash** | | 10,911.67 |
| **Total Checking/Savings** | | 10,911.67 |
| **Total Current Assets** | | 10,911.67 |
| **Fixed Assets** | | |
| **1200 · Fixed Assets** | | |
| **1201 · Donated Furn & Office Eqpt** | 35,612.00 | |
| **1202 · External Windows** | 79,760.00 | |
| **1210 · Accumulated Depreciation** | -62,545.00 | |
| **Total 1200 · Fixed Assets** | | 52,827.00 |
| **Total Fixed Assets** | | 52,827.00 |
| **TOTAL ASSETS** | | **63,738.67** |
| **LIABILITIES & EQUITY** | | |
| **Liabilities** | | |
| **Current Liabilities** | | |
| **Accounts Payable** | | |
| **2020 · Accounts Payable** | | -5,606.60 |
| **Total Accounts Payable** | | -5,606.60 |
| **Other Current Liabilities** | | |
| **2010 · Other Current Liability** | | |
| **20107 · Payroll Clearing** | 896.33 | |
| **Total 2010 · Other Current Liability** | | 896.33 |
| **Total Other Current Liabilities** | | 896.33 |
| **Total Current Liabilities** | | -4,710.27 |
| **Total Liabilities** | | -4,710.27 |
| **Equity** | | |
| **30000 · Opening Balance Equity** | | 4,708.50 |
| **32000 · Retained Earnings** | | 92,078.59 |
| **Net Income** | | -28,338.15 |
| **Total Equity** | | 68,448.94 |
| **TOTAL LIABILITIES & EQUITY** | | **63,738.67** |

# Balance Sheet
## As of June 30, 2019

| | | Jun 30, 19 |
|---|---|---|
| **ASSETS** | | |
| **Current Assets** | | |
| **Checking/Savings** | | |
| **1000 · Cash** | | |
| **1001 · Global Center Checking - 5863** | 8,133.06 | |
| **1009 · GCS's - Petty Cash** | 149.03 | |
| **1012 · ICFM -Checking (054-649694)** | 100.00 | |
| **Total 1000 · Cash** | | 8,382.09 |
| **Total Checking/Savings** | | 8,382.09 |
| **Total Current Assets** | | 8,382.09 |
| **Fixed Assets** | | |
| **1200 · Fixed Assets** | | |
| **1201 · Donated Furn & Office Eqpt** | 35,612.00 | |
| **1202 · External Windows** | 79,760.00 | |
| **1210 · Accumulated Depreciation** | -58,253.00 | |
| **Total 1200 · Fixed Assets** | | 57,119.00 |
| **Total Fixed Assets** | | 57,119.00 |
| **TOTAL ASSETS** | | **65,501.09** |
| **LIABILITIES & EQUITY** | | |
| **Liabilities** | | |
| **Current Liabilities** | | |
| **Accounts Payable** | | |
| **2020 · Accounts Payable** | | -5,606.60 |
| **Total Accounts Payable** | | -5,606.60 |
| **Other Current Liabilities** | | |
| **2010 · Other Current Liability** | | |
| **20107 · Payroll Clearing** | 896.33 | |
| **3015a · Thrift Store Sales Tax Payable** | 261.00 | |
| **Total 2010 · Other Current Liability** | | 1,157.33 |
| **Total Other Current Liabilities** | | 1,157.33 |
| **Total Current Liabilities** | | -4,449.27 |
| **Total Liabilities** | | -4,449.27 |
| **Equity** | | |
| **32000 · Retained Earnings** | | 65,068.00 |
| **Net Income** | | 4,882.36 |
| **Total Equity** | | 69,950.36 |
| **TOTAL LIABILITIES & EQUITY** | | **65,501.09** |

# GLOBAL CENTER FOR SUCCESS
## FISCAL/ACCOUNTING POLICIES AND PROCEDURES
## PAYROLL/HR POLICIES AND PROCEDURES

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# Introduction

The purpose of this manual is to set policies & procedures that are consistent with the mission of the Global Center for Success. Also, the purpose of this manual is to set sound financial guidelines that promote prudent fiscal management; and to abide by Generally Accepted Accounting Principles (GAAP) and the legal requirement governing Global Center for Success.

## Manual Protocol

Global Center for Success management will review the financial practices annually. Any recommended revisions will be presented to the Finance Committee of the Board of Directors.

The Finance Committee will review and recommend financial policies and procedures changes to the Board of Directors which will review and approve all changes to financial policies and procedures.

## Accounting Guidelines and Internal Controls

To ensure that record keeping is in accordance with Generally Accepted Accounting Principles (GAAP) and appropriate internal controls are maintained. The following procedures need to be followed:

1. Standard accounting procedures, in accordance with GAAP, will be utilized for all financial functions.

2. Accounting will be done on the accrual basis.

3. The Chart of Accounts will be utilized, reviewed annually, and updated as required.

4. Periodic, unannounced, internal audits will be performed by the Executive Director or the Finance Committee of the Board to ensure that the stated operating guidelines have been followed.

5. To ensure optimal internal controls, Global Center for Success will separate functional responsibilities as recommended by GAAP, to the extent possible based on staffing resources.

6. All Accounts Receivable and Payroll records will be stored by fiscal year.

## Annual Audit

It is the policy of Global Center for Success to arrange for an annual audit of the Organization's financial statements to be conducted by an independent accounting firm. The independent accounting firm selected by Global Center for Success will be required to communicate directly with the Organization's Finance Committee upon the completion of their audit. In addition, members of the Finance Committee are authorized to initiate communication directly with the independent accounting firm.

Audited financial statements, including the auditor's opinion thereon, will be submitted and presented to the Board of Directors by the independent accounting firm at the Organization's Annual Meeting, after the financial statements have been reviewed and approved by the Audit Committee.

Annual audits should be done annually to ensure the accuracy in accounting functions and to facilitate positive audit results.

1. The designee appointed by the Executive Director or the Finance Committee would conduct the internal audits of accounts receivable, payroll, and accounts payables semi-annually.

2. The designee conducting the audit will prepare an audit report and submit the report to the Executive Director and/or the Finance Committee for review.

3. The Executive Director will retain the records regarding the results of all internal audits and report inconsistencies or problems to Finance Committee as appropriate.

**Interim Procedures** - To facilitate the timely completion of the annual audit, the independent auditors may perform selected audit procedures prior to the Organization's year-end. By performing significant portions of audit work as of an interim date, the work required subsequent to year-end is reduced. Organization staff will as much as possible in order to provide requested schedules and documents and to otherwise assist the auditors during any interim audit fieldwork that is performed.

Throughout the audit process, it shall be the policy of Global Center for Success to make every effort to provide schedules, documents and information requested by the auditors in a timely manner.

## Annual Budget

The annual budget process requires planning and preparation of management and staff. A budget should be designed and prepared to direct the most efficient and prudent use of the organization's financial and human resources. Guidelines need to be in place so that the budgeting process runs smoothly. The following guidelines represent basic budgeting steps:

1. The Administrative Assistant, with the support of the Executive Director, will present an annual budget to the Finance Committee one month before the end of the current fiscal year. Once approved by the Finance Committee and Executive Committee, the

budget will be presented to Board of Directors for review and approval. The Budget must be presented to the Board of Directors during its July meeting.

2. The budget will be developed based on historical as well as projected costs for each program. Everyone will provide input into the budget development.

3. .In the event that Global Center for Success desires to add or expand programs, a budget amendment may be proposed. The Finance Committee will recommend to the Board of Directors which must approve all additional programs or program expansions.

4. The purpose of adopting a final budget at the beginning of the Organization's year is to allow time for the accounting department to input the budget into the accounting system and establish appropriate accounting and reporting procedures.

# Financial Statements

**Standard Financial Statements**

Preparing financial statements and communicating key financial information is a necessary and critical accounting function. Financial statements are management tools used in making decisions, in monitoring the achievement of financial objectives, and as a standard method for providing information to interested parties external to the organization. Financial statements may reflect year-to-year historical comparisons or current year budget to actual comparisons.

The basic financial statements of Global Center for Success shall include:

1. **Statement of Financial Position (Balance Sheet)** - reflects assets, liabilities and net assets of the organization and classifies assets and liabilities as current or non- current/long-term

2. **Statement of Activities (Income Statement)** - presents support, revenues, expenses, and other changes in net assets of the organization, by category of net asset (unrestricted, temporarily restricted and permanently restricted)

3. **Statement of Cash Flows (Development Sheet)** - reports the cash inflows and outflows of the organization in three categories: operating activities, investing activities, and financing activities

4. **Statement of Functional Expenses (Summarized by Program Totals - p**resents the expenses of the organization in both a natural, or objective, format and by function (i.e. which program or supporting service was served)

**Frequency of Preparation**

The objective of the administrative assistant is to prepare accurate financial statements in accordance with generally accepted accounting principles and distribute them in a timely and cost-effective manner. In meeting this responsibility, the following policies shall apply:

A standard set of financial statements described in the preceding section shall be produced on monthly basis, by the 10th of each month. The monthly set of financial statements shall be prepared on the accrual method of accounting, including all receivables, accounts payable received by the 10th of the month. All financial statements and supporting schedules shall be reviewed and approved by the Executive Director.

After approval by the Executive Director, a complete set of financial statements bimonthly shall be prepared and distributed as follows:

1. Treasurer and Finance Committee Members
2. Executive Director
3. Board of Directors

## Insurance Coverage

Annually insurance coverages need to be reviewed to ensure that Global Center for Success maintains adequate property, liability and employee insurance.

1. The Executive Director and the insurance broker shall review the insurance policy limits on property and contents based on current value and new capital purchases upon policy renewal.

2. The Executive Director will report to the insurance broker any purchase of equipment or property which could surpass the limits of current insurance coverage.

3. The Executive Director will meet with the insurance broker to discuss Director and Officer insurance and general liability insurance coverage a minimum of one time per year.

4. The Executive Director will prepare a status report on all insurance coverage levels and premium expenses a minimum of one time per year. This information will be presented to the Finance Committee of the Board of Directors.

5. Employee insurance coverages need to be reviewed annually. The Executive Director will work with the insurance broker to identify various insurance options to present to the Finance Committee.

6. .The Executive Director will work insurance claims agent on Workmen's Comp claim rates and classification of employees.

# Security

**Accounting Department**

A lock will be maintained on the door leading into the Administrative Assistant's Office. This door shall be closed and locked in the evenings. The key/combination to this lock will be provided to all employees. Global Center for Success's blank check stock shall be stored in a fireproof file cabinet of the Administrative Assistant's Office. This cabinet will be locked with a key that is kept in the Administrative Assistant's Office. Access to this file cabinet shall be by keys in the possession of the Administrative Assistant and Executive Director.

**Access to Electronically Stored Accounting Data**

It is the policy of Global Center for Success to utilize passwords to restrict access to accounting software and data. Only duly authorized accounting personnel with data input responsibilities will be assigned passwords that allow access to the system.

Accounting personnel are expected to keep their passwords secret and to change their passwords on a regular basis, no less frequently than quarterly. Administration of passwords shall be performed by a responsible individual independent of programming functions.

Each password enables a user to gain access to only those software and data files necessary for each employee's required duties.

# Record Retention

It is the policy of Global Center for Success to retain records as required by law and to destroy them when appropriate. The destruction of records must be approved by the Executive Director, and logged into the Organization's Destroyed Records Log. The formal records retention policy of Example NPO is as follows:

| | |
|---|---|
| Accounts payable ledgers and schedules | 7 Years |
| Accounts receivable ledgers and schedules | 7 Years |
| Audit reports | Permanently |
| Bank reconciliations | 2 Years |
| Bank Statements | 3 Years |
| Chart of Accounts | Permanently |
| Cancelled Checks | 7 Years |
| Contracts, mortgages, notes, and leases (expired) | 7 Years Correspondence: |
| General (Customers, Vendors, etc.) | 2 Years |
| Legal and important matters only | Permanently |
| Deeds, mortgages, and bills of sale | Permanently |
| Determination letter for income tax exemption | Permanently |
| Depreciation schedules | Permanently |
| Duplicate deposit slips | 2 Years |

| | |
|---|---|
| Employment applications | 3 Years |
| Expense analyses/expense distribution schedule | 7 Years |
| Financial statements: | |
| Year-end | Permanently |
| Other | Optional |
| General ledgers/year end trial balance | Permanently |
| Insurance policies (expired) | 3 Years |
| Insurance records (policies, claims, etc.) | Permanently |
| Internal audit reports | 3 Years |
| Internal reports | 3 Years |
| Invoices (to customers, from vendors) | 7 Years |
| Minute books of directors, bylaws and charters | Permanently |
| Notes receivable ledgers and schedules | 7 Years |
| Payroll records and summaries | 7 Years |
| Personnel records (terminated) | 7 Years |
| Property records (incl. depreciation schedules) | Permanently |
| Purchase orders: | |
| Purchasing department copy | 7 Years |
| Other copies | 1 Year |
| Retirement and pension records | Permanently |
| Tax returns and worksheets, examination reports and other documents relating to IRS determination | Permanently |
| Time sheets/cards | 7 Years |
| Trademark registrations and copyrights | Permanently |
| Training manuals | Permanently |
| Withholding tax statements | 7 Years |

# Cash Receipts and Revenue Processing

## Processing of Checks and Cash Received in the Mail

For funds that are received directly, cash receipts are centralized to ensure that cash received is appropriately directed, recorded and deposited on a timely basis. Mail is opened and a listing of cash/checks received shall be prepared by the development director for all contributions. The development director will enter this information into the fundraising software. A deposit slip is prepared by the administrative assistant from the cash/checks received. Deposits are prepared and taken to the bank by the administrative assistant. Administrative assistant enters the cash receipts into accounting system.

## Endorsement of Checks

It is the policy of Global Center for Success that all checks received that are payable to the Organization shall immediately be restrictively endorsed. The restrictive endorsement shall be a rubber stamp that includes the following information:

For Deposit Only

1. Global Center for Success
2. The bank name
3. The bank account number of Global Center for Success

**Timeliness of Bank Deposits**

It is the policy of Global Center for Success that bank deposits will be made twice per week, unless the total amount received for deposit is more than $5,000. In no event shall deposits be made less frequently than weekly.

**Bank Reconciliation**

The Executive Director looks at the bank statements and reconciliation statement each month after it's prepared by the administrative assistant.

**Credit Card Processing**

Global Center for Success accepts MasterCard and Visa and credit cards for payment, all of which are authorized through the participating credit card company. This is done by following the credit card authorization instructions from the participating credit card company.

For all credit card payments, Global Center for Success will document the following information:

1. Customer/Organization name, address and phone number
2. Name of credit cardholder
3. Address of cardholder
4. Credit card number
5. Expiration date

All credit card processing shall be performed by the administrative assistant.

# Cash Disbursements and Accounts Payable

Global Center for Success processes the following three types of disbursements:

1. Repetitive (e.g. utilities)
2. Purchase orders
3. Check requests

**Use of Purchase Orders**

It is the policy of Global Center for Success to utilize a purchase order system. A properly completed purchase order shall be required for each purchase decision (i.e. total amount of goods and services purchased, not unit cost), with the exception of travel advances and expense reimbursements, which require the preparation of a separate form described

elsewhere in this manual. A properly completed Purchase Order shall contain the following information, at a minimum:

Specifications or statement of services required

1. Vendor name, address, point of contact and phone number
2. Source of funding (if applicable)
3. Delivery or performance schedules
4. Delivery, packing and transportation requirements
5. Special conditions (if applicable)
6. Catalog number, page number, etc. (if applicable)
7. Net price per unit, less discount, if any
8. Total amount of order
9. Authorized signature
10. Date PO prepared

Purchase orders shall be pre-numbered, kept in a secure area in the accounting department, and issued upon request from an authorized purchaser. All purchase orders shall be recorded in a purchase order log.

**Use of Check Requests**

All checks require an actual signature of the Chairman of the Board.

The policy and procedures for processing invoices and accounts payables is as follows:

1. When the Administrative Secretary opens the mail, the invoices are placed in the accounting inbox.
2. The Administrative assistant enters invoices and matches with associated purchase orders into the accounting system..
3. Whenever possible, Global Center for Success will pay invoices within the specified deadlines required to take advantage of payment discounts.
4. The Administrative Assistant will prepare payments weekly or as needed. At no time will checks be drawn to "cash" or "bearer."
5. Payments will not be made unless proper documentation is secured (i.e., invoices, receipts and purchase orders.)
6. The Administrative Assistant merges and staples the checks, copy of checks and invoice detail together
7. The Administrative Assistant forwards the assembled accounts payable checks on to the Executive Director for signatures.
8. Checks are signed and the Administrative Assistant breaks down the stapled check packs and mails the checks. The copy of the check and invoice detail is then filed away in the administrative office.

## Net Asset Classifications

All income received by Global Center for Success is classified as "unrestricted", with the exception of the following:

1. Grants and other awards received from government agencies or other grantors, which are classified as temporarily restricted
2. Special endowments received from donors requesting that these funds be permanently restricted for specific purposes

From time to time, Global Center for Success may raise other forms of contribution income which carry stipulations that Global Center for Success utilize the funds for a specific purpose or within a specified time period identified by the donor of the funds. When this form of contribution income is received, Global Center for Success shall classify this income as Temporarily Restricted income.

As with all Temporarily Restricted net assets, when the restriction associated with a contribution has been met (due to the passing of time or the use of the resource for the purpose designated by the donor). The Temporarily Restricted net assets keep track of the grant or contribution balance and are reduced to zero as assets are released from restriction.

## Notes Payable

It is the policy of Global Center for Success to maintain a schedule of all notes payable, mortgage obligations, lines of credit, and other financing arrangements. This schedule shall be based on the underlying loan documents and shall include all of the following information:

1. Name and address of lender
2. Date of agreement or renewal/extension
3. Total amount of debt or available credit
4. Amounts and dates borrowed
5. Description of collateral, if any
6. Interest rate
7. Repayment terms
8. Maturity date
9. Address to which payments should be sent
10. Contact person at lender

An amortization schedule shall be maintained for each note payable. Based upon the amortization schedule, the principal portion of payments due with the next year shall be classified as a current liability in the statement of financial position. The principal portion of payments due beyond one year shall be classified as long-term/non-current liabilities in the statement of financial position. Demand notes and any other notes without established repayment dates shall always be classified as current liabilities. Unpaid interest expense shall be accrued as a liability at the end of each accounting period.

A detailed record of all principal and interest payments made over the entire term shall be maintained with respect to each note payable. Periodically, the amounts reflected as current and long-term notes payable per the general ledger shall be reconciled to these payment schedules and the amortization schedules, if any, provided by the lender. All differences shall be investigated.

# Payroll and Human Resources Policies

## Classification of Workers as Independent Contractors or Employees

It is the policy of Global Center for Success to consider all relevant facts and circumstances regarding the relationship between Global Center for Success and the individual in making determinations about the classification of workers as independent contractors or

employees. This determination is based on the degree of control and independence associated with the relationship between Global Center for Success and the individual. Other considerations would include ability to provide insurance coverage's for liability reasons. Facts that provide evidence of the degree of control and independence fall into three categories:

1. Behavioral control
2. Financial control
3. The type of relationship of the parties

Facts associated with each of these categories that will be considered by Global Center for Success in making employee/contractor determinations shall include:

1. Behavioral control:

a. Instructions given by Global Center for Success to the worker that indicate control over the over the worker (suggesting an employee relationship), such as:

1. When and where to work
2. What tools or equipment to use
3. What workers to hire or to assist with the work
4. Where to purchase supplies and services
5. What work must be performed by a specified individual
6. What order or sequence to follow

b. Training provided by Global Center for Success to the worker (i.e. employees typically are trained by their employer, whereas contractors typically provide their own training.)

2. Financial control:

a. The extent to which the worker has unreimbursed business expenses (i.e. employees are more likely to be fully reimbursed for their expenses than is a contractor.)
b. The extent of the worker's investment in the facilities/assets used in performing services for Global Center for Success (greater investment associated with contractors.)
c. The extent to which the worker makes services available to the relevant market
d. How Global Center for Success pays the worker (i.e. guaranteed regular wage for employees vs. flat fee paid to some contractors.)
e. The extent to which the worker can realize a profit or loss.

3. Type of Relationship:

a. Written contracts describing the relationship that Global Center for Success and the individual intend to create

b. Whether Global Center for Success provides the worker with employee-type benefits, such as insurance, paid leave, etc.
c. The permanency of the relationship
d. The extent to which services performed by the worker are a key aspect of the regular business of Global Center for Success

If an individual qualifies for independent contractor status, the individual will be sent a Form 1099 if total compensation paid to that individual for any calendar year, on the cash basis, is $600 or more. The amount reported on a Form 1099 is equal to the compensation paid to that person during a calendar year (on the cash basis). Excluded from "compensation" are reimbursements of business expenses that have been accounted for by the contractor by supplying receipts and business explanations.

If an individual qualifies as an employee, a personnel file will be created for that individual and all documentation required by the personnel policies shall be obtained. The policies described in the remainder of this section shall apply to all workers classified as employees.

**Payroll Administration**

Global Center for Success operates on a biweekly payroll. A personnel file is established and maintained with current documentation, as described throughout this section and more fully described in Global Center for Success's Personnel Manual.

The following forms, documents and information shall be obtained and included in the personnel files of all new employees:

1. Employment Application (and resume, if applicable)
2. Applicant references (work & personal)
3. Interview questions and notes
4. Form W-4 Employee Federal Withholding Certificate
5. State Withholding Certificate
6. Form I-9 Employment Eligibility Verification
7. Copy of driver's license
8. Copy of Social Security card issued by the Social Security Administration
9. Starting date and scheduled hours
10. Job title and starting salary
11. Authorization for direct deposit of paycheck, with a voided check or deposit slip

For employees without a current, valid driver's license, acceptable alternative documents shall include:

1. U.S. Passport
2. Certificate of U.S. Citizenship (INS Form N-560 or N-561)

3. Voter's registration card
4. U.S. Military card
5. ID card issued by a federal, state or local government, provided it contains a photo
6. School record or report card (for persons under age 18 only)

For employees without a Social Security card, acceptable alternative documents shall include:

1. U.S. Passport
2. Certificate of U.S. Citizenship (INS Form N-560 or N-561)
3. Original or certified copy of a birth certificate issued by a state, county or municipal authority
4. Certificate of Birth Abroad issued by the Department of State (Form FS-545 or Form DS-1350)
5. U.S. Citizen ID Card (INS Form I-197)
6. Native American tribal document
7. ID Card for use of Resident Citizen in the United States (INS Form I-179)

Each employee payroll file shall also indicate whether the employee is exempt or non-exempt from the provisions of the Fair Labor Standards Act. New hires, terminations, and changes in salaries or pay rates shall be authorized in writing by the executive director. The executive director payroll changes are determined by the board of directors. Voluntary payroll deductions and changes in income tax withholding status shall be authorized in writing by the individual employee. Documentation of all changes in payroll data shall be maintained in each employee's personnel file.

## Payroll Taxes

The Administrative Assistant is responsible for ensuring all required tax forms are properly completed and submitted, and that all required taxes are withheld and paid. The Accounting Department may utilize the services of an outside payroll service center for the processing of payroll, as determined by the administrative assistant.

It is the policy of Global Center for Success to obtain an updated Form W-4 from each employee in January of each year. Withholding of federal income taxes shall be based on the most current Form W-4 prepared by each employee.

## Preparation of Timesheets

Each Global Center for Success employee must submit to the Administrative Assistant a signed and approved timesheet no later than Friday by 12:00 noon for the check processing to occur the following Wednesday following the close of each pay period. Timesheets shall be prepared in accordance with the following guidelines:

1. Each timesheet shall reflect all hours worked during the pay period (time actually spent on the job performing assigned duties), whether compensated or not
2. Timesheets shall be prepared in ink
3. Errors shall be corrected by crossing through the incorrect entry, filling in the correct entry, and placing the employee's initials next to the change (i.e. employees shall not use "white out" or correction tape)
4. Employees shall identify and record hours worked based on the nature of the work performed;
5. Compensated absences (vacation, holiday, sick leave, etc.) should be clearly identified as such;
6. Timesheets shall be signed by the employee prior to submission.

After preparation, timesheets shall be approved by Executive Directors or their designees, prior to submission to the administrative assistant. Corrections identified by an employee's supervisor (Department Director) shall be authorized by the employee by placing the employee's initials next to the change.

An Organization employee who is on leave, on travel, or is ill on the day that timesheets are due may telephone or e-mail timesheet information to his or her supervisor (or designated alternate). Time so submitted must reflect the actual time worked and the appropriate classifications. The employee must initial a timesheet submitted in this manner immediately upon his/her return to the office. Timesheets submitted in this manner shall bear the notation, "Time reported by telephone or e-mail by (employee) to (supervisor or designated alternate)." The timesheet shall be signed by the supervisor or the designated alternate.

Upon return of all payroll reports and checks, the Executive Director reviews payroll upon return from payroll company.

# Board Conflict of Interest Policy

### Objective

Effective non-profit governance depends on deliberate, thoughtful, and fair decision making by Board members. The ability to make good decisions is sometimes affected by other interests - personal or professional - of individual Board and committee members.

One cannot eliminate conflicts of interest - they are a regular part of organizational and personal life. The objective of this policy is to permit Global Center for Success to *manage* potential conflicts of interest successfully, when they do occur, in regards to Board and committee members.

**Definition**

A conflict of interest arises when a person able to influence a decision, whether by official vote or moral and/or intellectual persuasion, is liable to gain:

- Some personal advantage from the outcome of the decision in which they are involved, and/or some advantage for an organization with which the individual is directly involved.
- A conflict of interest also arises when as individual Board or committee members outside duties, interests or obligations may or do differ fundamentally from his/her obligations as a member of the Board, a committee or working group of Global Center for Success.

**Assumptions**

1. No Board or committee member shall use his or her position, or the knowledge gained there from, in such a manner that a conflict between the interest of Global Center for Success or any of its affiliates and his or her interests arises, but is not disclosed.
2. When functioning as a Global Center for Success Board or committee member, each person has a duty to place the interest of Global Center for Success foremost in any dealings with Global Center for Success and has a continuing responsibility to comply with the requirements of this policy.
3. Board and committee members are not eligible for employment or service contracts with Global Center for Success or its affiliates during their tenure. If a Board or committee member wishes to apply for a permanent position at Global Center for Success, he/she must immediately withdraw from active participation on the Board or committee. If the Board or committee member is the successful candidate, he/she must resign from the Board or committee upon accepting the position.
4. Any Board or committee member who becomes aware of a potential conflict of interest with respect to any matter coming before the Board, committee, or working group shall make this potential conflict known immediately in any discussion relating to the matter.
5. Decisions taken by the Board, committees or working groups, regarding the management of a conflict of interest, must not only be fair, they must be seen to be fair.

**Procedure**

When an actual, perceived, or potential conflict is identified by any person, the following action must be taken:

1. The Board or committee member identifies the actual, perceived or potential conflict;
2. The Board or committee member must fully disclose the conflict to the Chairperson and, where appropriate, to all Board or committee members;
3. The Chairperson shall develop an appropriate response, including where necessary, disqualification from voting and discussion and any necessary remedial action. For example, if a vote may have been affected by a previously undeclared conflict of interest, it may be necessary to hold that vote again.
4. Where a potential conflict of interest is identified, the following options may be considered and combined as appropriate:

    - The Board or committee member with the conflict should not be involved in any aspect of the decision-making process.
    - He or she may be present and/or participate in discussions but refrain from voting.
    - He or she will absent him or herself from any discussions in connection with the matter in question.
    - He or she may participate in initial discussions and then be asked to leave for further discussions before the vote.
    - He or she may vote or be present for the vote, but the vote will be done by confidential ballot
    - He or she may participate fully.

    The Board, committee or working group must agree in majority on the option or combination of options to be taken in any given conflict of interest situation.

5. Any Board or committee member may ask for a decision to be taken by secret ballot when dealing with a matter where there is a conflict of interest.
6. The official minutes of the meeting must record the potential conflict of interest and how it was avoided and/or dealt with.
7. When there is a failure to agree on whether a conflict of interest exists and/or how it is to be managed, the Chairperson (or if the potential conflict of interest involves him or her, the vice-chairperson) may seek legal counsel.

**Common Sense Provision**

The application of any part of this policy shall rely heavily on the common sense of the group as a whole. Conflict of interest circumstances vary and the judgment and flexibility of the Board, committee, or working group must be preserved.

**Examples**

Some examples of situations which may indicate a conflict of interest are:

- Where a Board or committee member is in a position to influence the creation of employment or a service contract and then becomes a candidate for such a position or contract.

- Where a member of the Board or committee influences the selection of a supplier of goods and\or services and the member has an ownership interest in that supplier.
- Where a Board or committee member uses Global Center for Success' name and resources for personal benefit.
- Where a Board or committee member could influence the giving of a grant, funds or project approval which would benefit themselves or an organization they are associated with as staff or volunteers.

# Whistleblower/Grievance Policy

### General

Code of Ethics and Conduct ("Code") requires directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Organization, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

### Reporting Responsibility

It is the responsibility of all directors, officers and employees to comply with the Code and to report violations or suspected violations in accordance with this Whistleblower Policy.

### No Retaliation

No director, officer or employee who in good faith reports a violation of the Code shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the Organization prior to seeking resolution outside the Organization.

### Reporting Violations

The Code addresses the Organization's open door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. However, if you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you are encouraged to speak with someone in the Human Resources Department or anyone in management whom you are comfortable in approaching. Supervisors and managers are required to report suspected violations of the Code of Conduct to the Organization's Compliance Officer, who has specific and exclusive responsibility to investigate all reported violations. For suspected fraud, or when you are

not satisfied or uncomfortable with following the Organization's open door policy, individuals should contact the Organization's Compliance Officer directly.

### Compliance Officer

The Organization's Compliance Officer is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code and, at his discretion, shall advise the Executive Director and/or the audit committee. The Compliance Officer has direct access to the audit committee of the board of directors and is required to report to the audit committee at least annually on compliance activity. The Organization's Compliance Officer is the chair of the audit committee.

### Accounting and Auditing Matters

The audit committee of the board of directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the audit committee of any such complaint and work with the committee until the matter is resolved.

### Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

### Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

### Handling of Reported Violations

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

## Code of Conduct

The recent state of business scandals has focused attention on the importance of well-developed and communicated Code ofC in promoting a culture of honesty and ethical behavior and deterring unethical business activity. To be effective, a code of conduct must be well communicated to, and understood by, those expected to adhere to it. The code of

conduct should be presented to Agency personnel and conduct periodic training sessions to ensure that they remain aware of the code and understand its implications for their behavior.

Our Organization is committed to the highest possible ethical standards and we encourage everyone associated with our Organization to commit to acting in the best interest of the organization and its mission.

Our mission demands that we, Board and Committee Members, staff and volunteers, as stewards of our mission, uphold the public trust and act in an ethical manner in all that we do in the name of our Organization. These ethical values include integrity, openness, honesty, accountability, fairness, respect and responsibility. These values are the basis of our Code of Conduct and commitment to act in a manner befitting the Organization and mission.

As a public charity, we rely on the public for funding and volunteer support, which is critical to the success of our mission. The public trusts us to carry out our stated mission and to act in the best interest of the Organization. If we abuse the public trust, our ability to fulfill our mission is severely weakened.
Therefore, it is critical that we operate in a manner that is above reproach in all aspects, including governance, fundraising, mission operations, legal matters and human resources.

As a public charity we are committed to:

- Acting responsibly and with integrity;
- Following not just the letter of the law, but the spirit of the law as well;
- Promoting financial accountability, transparency, and best governance practices;
- Respecting the wide variety of people who support our mission through donations of their time, talent and money;
- Being responsible stewards of our Organization, its mission, reputation and resources;
- Being open and honest in all of our dealings with both internal and external audiences.

This Code of Conduct applies to all staff members, the Board of Directors and Committee Members, and volunteers of the Global Center for Success.

**Accountability and Responsibility**

All staff, Board and Committee members, and volunteers will:

- Be open and honest with colleagues, stakeholders, volunteers, donors, and all others involved in the Organization;
- Abide by the by-laws and policies of the Organization;

- Take responsibility for their actions, and care in their dealings as representatives of our Organization;
- Exercise best governance and accounting practices and procedures;
- Use the resources of the Organization in a responsible and wise manner;
- Promote financial transparency while working to fulfill the mission of the Organization.

All who serve in a position of authority over the Organization will:

- Place the Organization above other interests, financial or otherwise;
- Act in the best interest of the Organization;
- Disclose any actual or perceived conflict of interest.

**Professional Excellence**

All members of our staff, Board, Committees and all volunteers will:

- Act in a responsible, ethical manner that promotes openness, fairness and integrity;
- Treat people with dignity and respect;
- Work together to achieve our mission to the best of our ability.

Global Center for Success is an equal opportunity employer and does not discriminate on the basis of race, color, religion, gender, or national origin. We value the diversity of all people.

Reference: FTM (Financial Technology Management) Non Profit Accounting Solutions

# Community Housing Development Corporation (CHDC) – Housing Stability Counseling Program

**CITY OF VALLEJO CDBG PROGRAM APPLICATION**
**PUBLIC SERVICES ACTIVITIES (Social Services Activities)**
**Fiscal Year 2022-23** *Covers July 1, 2022 - June 30, 2023*

## APPLICATION INSTRUCTIONS AND GENERAL INFORMATION

Application Instructions: This Excel-based Application Worksheet includes five (5) "tabs" which comprise the full application (see bottom of screen to scroll between tabs). The tabs include: Instructions and General Info; Application Questions; Budget; Schedule; and Doc Requirements. Applicants must complete and submit all portions of the Application to the City of Vallejo.

**General Information Instructions:** Complete all information in shaded cells. Print tab when completed and provide signature where indicated.

| | |
|---|---|
| Agency General Name | Community Housing Development Corporation of North Richmond |
| Address 1 | 1535 A Fred Jackson Way |
| Address 2 | |
| City | Richmond |
| State | California |
| Zip | 94801 |
| Main Telephone Number | 510-412-9290 |
| Website Address | Communityhdc.org |
| EIN (XX-XXXXXXX) | 68-0235719 |
| DUNS Number (XXXXXXXXXXXXX) | 867643793 |

**CEO/Executive Director**

| | |
|---|---|
| First Name | Donald |
| Last Name | Gilmore |
| Title | Executive Director |
| Email | Dgilmore@communityhdc.org |
| Telephone | 510-412-9290 |

**Funding Request Summary and Program Contact**

| | |
|---|---|
| Activity/Program/Project Name | Housing Stability Counseling Program |
| Amount of FY20 CDBG Requested | $30,000 |
| Program Contact First Name | Rita |
| Program Contact Last Name | Curtis |
| Program Contact Telephone | |
| Program Contact Email | Rcurtis@communityhdc.org |

**Authorized Signature of Applicant submitting application**

| | |
|---|---|
| Full Name | Rita Curtis |
| Title | Homeownership Center Director |
| Date: | February 7, 2022 |
| Signature: | |

# CITY OF VALLEJO CDBG PROGRAM APPLICATION
## PUBLIC SERVICES ACTIVITIES (Social Services Activities)
## Fiscal Year 2022-23

*Covers July 1, 2022 - June 30, 2023*

**APPLICATION QUESTIONS**

**Instructions:** Respond to all questions indicated in shaded cells. Print tab when completed.

| Question # | Question Description |
|---|---|
| 1 | **Enter the number of applications your agency is submitting for City of Vallejo CDBG Program funding. If more than one application, enter the numerical ranking of the priority of this proposal; e.g, "1 of 3" means you are submitting 3 applications and this one is the highest priority.** |

1

| 2 | **Enter the organization/agency type. Enter "X"** | |
|---|---|---|
| | Private, non-profit organization | X |
| | Public agency/department | |
| | Other | |

**3** **AGENCY DESCRIPTION: Provide description of the agency's mission and history, including number of years in existence. Describe agency's current strategic and/or operations plan.**

CHDC mission is to create and sustain vibrant communities that make a positive impact in people's lives by providing high quality affordable housing and neighborhood services. In partnership with resident groups, service providers, business and government entities, CHDC provides a comprehensive set of affordable housing opportunities and services enabling low/moderte income residents to gain better housing and financial stability. Our uniquely collaborative, placebased approach to community development means we work with community leaders and residents at the grassrootss level to develop and execute plans for safe, attractive, affordable housing for both homeownership and rental - supported by a broad array of financial fitness and asset building services tailored to resident needs so that all can share in the benefits of community development.
Community Housing Development Corporation (CHDC) has 30 + years of experience developing, selling, and managing affordable homes to low-income families. Our HUD-approved housing counseling program effectively prepares low and very-low-income families to purchase their first home with long term success. We are skilled in setting up multi-layered, subsidized financing so that each qualified buyer has the appropriate support while mechanisms such as resale restrictions or shared equity assure that long term affordability is protected. Our silent second down payment assistance program allows us to make loans to low-income families up to $50,000 of the sales price which can be layered with other resources.Everything CHDC does is rooted in community priorities: having safe, attractive, affordable housing for families,

| 4 | **Is this a new project or activity?** | |
|---|---|---|
| | Yes | |
| | No | |

| Question # | Question Description |
|---|---|
| 5 | **OTHER CDBG FUNDING: If your agency has never received CDBG funding from the City of Vallejo, please list any CDBG funding received from other jurisdictions in the last 5 years (jurisdiction, amount, and purpose). Enter N/A if not applicable.** |
| | N/A |
| 6 | **CAPACITY: Describe your agency's capacity to conduct the activity/program/project (previous federal grants management, staff experience and capacity, fiscal resources, etc.).** |
| | Executive Director Donald Gilmore has led CHDC's growth since 1992 following roles with the City of Alameda Housing Authority and Richmond Neighborhood Housing Services. Son of former Oakland City Councilman the late Carter Gilmore, Don spearheads comprehensive neighborhood revitalization efforts leveraging his development expertise and inclusivity to negotiate community partnership agreements. A graduate of Harvard University's Achieving Excellence program, he holds a bachelor's degree from the College of Idaho and served on boards such as the Non-Profit Housing Association of Northern California, East Bay Housing Organization, and the National Center for |
| 7 | **PROPOSED PROGRAM/ACTIVITY DESCRIPTION: Provide a description of the activity/program/project for which your agency is seeking funding. NOTE: Agencies applying to assist homeless persons must coordinate with Resource Connect Solano operated by Caminar, a non-profit organization, to be considered for funding. Describe how the activity/program/project will coordinate with Resource Connect Solano, if applicable.** |
| | The City of Vallejo's funding will enable CHDC to plan and execute a comprehensive rental and Financial Fitness counseling programs aimed at increasing financial stability to residents at risk of foreclosure and/or eviction due to circumstance created by the COVID-19 pandemic. The goal is to help residents facing an emergency financial situation who would otherwise be able to afford their housing costs. CHDC will provides rental coaching and credit building; first time homeowner education and counseling; foreclosure intervention counseling; and recovery (focusing on credit and savings improvement) programs to all homeowners, renters, and financial capability clients in both English and Spanish. To expand services, CHDC will start by assessing the foreclosure mitigation, comprehensive HUD housing counseling and related consumer needs. CHDC will assess both quantity (whether the services being offered meet the documented community need) and quality (whether existing services meet National Industry Standards for Homeownership, Foreclosure and Education Counseling). CHDC will also look at demographics, including foreclosure rates, to determine what type of additional services and outreach is needed. |

| Question # | Question Description |
|---|---|
| 8 | **ACTIVITY/PROGRAM IMPLEMENTATION: Describe how the activity/program will be implemented, administered, and operated.** |

CHDC will start by assessing the foreclosure mitigation, rental evictions, and related consumer needs. CHDC will also look at demographics, to determine what type of additional services and outreach is needed. We will partner to customize our proven programs and services. Strategies include:

•Outreach: Create and execute a targeted outreach and education campaign through our nonprofit partners, local churches, and community leaders to make sure the community is aware of our supportive services, has buy-in on the way forward and that we reach the volume needed to impact the City of Vallejo.

•Financial Fitness Workshops: Conduct workshops to train youth and adults in money management to better prepare them for financial stability.

•First Time Homebuyer Workshops and Counseling: Implement our proven programs for qualified individuals/families

| 9 | **NEED FOR PROGRAM/ACTIVITY: Describe the problem(s), need(s), issue(s) or service gap(s) to support the need for this project in the City of Vallejo. Include Vallejo demographics, statistics, report citations, etc.** |
|---|---|

There is a great need for this program in the City of Vallejo. Due to the unstable economic situation many clients need assistances with developing and maintaing a budget and help with credit issues. Many families and individuals face challenges with maintaining employment and can not maintain a set budget due to their income inconsistency. CHDC adapted it services to assist residents at risk of foreclosure and/or evictions due to circumstances created by the COVID- 19 pandemic. Based on the 2015-2019 United States Census information for the City of Vallejo the Owner occupied housing rate is 55.5%, the median value of owner-occupied housing is $370,000.00 and the median montly owner cost is $2,005.00. It is impartive we assist homeowners who are at risk of losing their financial security and the equity in their home. Also, based on the 20215-2019 United States Census there are 42,048 households/families renting and paying a median gross monthly rent of $1,532.00. These clients need help with developing and maintaining a monthly budget, rental education/counseling and

| 10 | **USE OF VALLEJO CDBG FUNDS: Describe in detail how Vallejo's CDBG funds will be used within the activity/program/project. Describe how the project is cost effective and the budget is reasonable for the anticipated result.** |
|---|---|

The City of Vallejo's funds will be use to support a portion of CHDC's HUD approved Housing Counselor salaries.

| 11 | **TARGET POPULATIONS: Describe the population your agency will serve with these funds and how they will benefit from the implementation of the activity/program/project.** |
|---|---|

The specific population who will benefit from the services rendered are seniors, youth, individuals, couples, and entire families. CHDC program will serve Solano County's very low, low to moderate income residents at risk of foreclosure and/or evictions due to circumstances created by the COVID- 19 pandemic.

| Question # | Question Description |
|---|---|
| 12 | **OUTREACH: Explain how your agency will outreach to low income, limited English speakers, and/or disabled persons. How will each of these groups access the activity/program/project for which your agency is requesting funding?** |

CHDC will conduct intense marketing activities throughout Solano County. We will send direct mail marketing materials to households who are at risk of eviction, foreclosure or requesting Pre and Post purchase counseling. We will conduct informational and counseling seminars to families, individuals, and homebuyers throughout our service areas. With the help of other partners, we will be able to conduct other outreach activities such as radio spots, website content and newspaper calendar of events. We will also work in partnership with other agencies serving similar populations who wish to provide the services mentioned above. All materials and Intake forms are

| | |
|---|---|
| 13 | **COLLABORATION: Identify the organizations with which your agency partners, and describe their relevant capabilities that result in greater service integration.** |

CHDC partners with the SparkPoint Centers (United Way) Solano Children's Network and Fighting Bank and the collaboration has provided local communities in Solano County access to tremendous wraparound services. Major activities include vocational skills training, budgeting/financial goals setting, legal services, debt counseling, credit counseling, first time homebuyer workshops, workforce development counseling, food pantry, financial education counseling, benefits screening, fair housing counseling, identifying housing discrimination, the complaint process and enrollment counseling. CHDC also collaborates with many other housing counseling

| | |
|---|---|
| 14 | **LEVERAGING: Describe leveraging or sustainability efforts your agency is implementing to maintain service levels.** |

CHDC received grants from NeighborWorks America under the Housing Stability Counseling Program and NeighborWorks HUD Housing Counseling Program.

| | |
|---|---|
| 15 | **EFFECT IF NOT FUNDED: If this application does not receive funding, what will be the effect on the activity/program/project?** |

Without the City of Vallejo's funding we will not be able to provide this program at 100% capacity in the City of Vallejo. We have already aquired funding from NeighborWorks America to implement this program in our targeted areas in the Bay Area and Solano Counties but more funding is needed. It is of the upmost importance

16 **POPULATIONS TO BE SERVED: Indicate population(s) that will be served (mark "X") for ALL that apply).**

| | |
|---|---|
| Extremely Low Income Persons (Incomes 30% or less of AMI) | x |
| Very Low Income Persons (Incomes 31-50% AMI) | x |
| Low Income Persons (Incomes 51-80% AMI) | x |
| Seniors 62 years and older | x |
| Lower income families with children attending Vallejo City Unified School District | x |
| Homeless Persons or Families | x |
| Persons or families at risk of homelessness | x |
| Persons with mental illness | |
| Persons with developmental disabilities | |
| Persons with physical disabilities | x |
| Persons living with AIDS/HIV-related illness | x |
| Victims of domestic violence | x |
| Veterans | x |
| Other target population (describe) | N/A |

| Question # | Question Description | |
|---|---|---|
| 17 | **CDBG PROGRAM OBJECTIVE: Select ONE objective that relates to your activity (Tip: When selecting, ask "What is the purpose of the activity? What is the larger community need that I am seeking to address?" (Mark "X" in selected objective)** | |
| | Creating a suitable living environment | x |
| | Providing decent affordable housing | |
| | Creating economic opportunities | |
| 18 | **CDBG PROGRAM OUTCOME: Select ONE outcome that relates to your activity (TIP: When selecting, ask "What type of change or result am I seeking?" (Mark "X" in applicable category)** | |
| | Availability/Accessibility | |
| | Affordability | |
| | Sustainability | x |
| 19 | **COMMON INDICATOR: Choose a common indicator that your agency will use to track clients - Mark "X" in selected category.** | |
| | Persons | |
| | Households | x |
| 20 | **# CLIENTS TO BE SERVED: For the category you selected in Question #19, provide the total number of unduplicated Vallejo clients your agency anticipates serving through this activity/program/project.** | |
| | # Unduplicated Vallejo Clients | 30 |
| 21 | **# CLIENTS TO BE SERVED BY INCOME AND TYPE: Based on the common indicator you selected above, provide the number of unduplicated Vallejo clients your agency anticipates serving in each category listed below.** | |
| | Low Income (51-80% AMI) | 15 |
| | Very Low Income (31-50% AMI) | 5 |
| | Extremely Low Income (0-30% AMI) | |
| | Disabled | 2 |
| | Female Headed Households | 3 |
| | Seniors | 5 |
| | Youth | |
| | Homeless | |

| Question # | Question Description |
|---|---|
| 22 | **# CLIENTS TO BE SERVED BY RACE/ETHNICITY: Enter the number of clients your agency anticipates serving in the following race/ethnicity categories. The sum of numbers must match the total clients entered in Question #21 above. Per HUD, "Hispanic" is an ethnicity, and not a separate race.** |

| | |
|---|---|
| White | 3 |
| White + HISPANIC | 2 |
| Black/African American | 5 |
| Black/African American + HISPANIC | 2 |
| Asian | 3 |
| Asian + HISPANIC | 1 |
| American Indian/Alaskan Native | 2 |
| American Indian/Alaskan Native + HISPANIC | 2 |
| Native Hawaiian/Other Pacific Islander | 2 |
| Native Hawaiian/Other Pacific Islander + HISPANIC | |
| American Indian/ Alaskan Native and White | |
| American Indian/ Alaskan Native and White + HISPANIC | |
| Asian and White | 3 |
| Asian and White + HISPANIC | |
| Black/African American and White | |
| Black/African American and White + HISPANIC | |
| American Indian/Alaskan Native and Black/African American | |
| American Indian/Alaskan Native and Black/African American + HISPANIC | 5 |
| Other Multi Racial | |
| Other Multi Racial + HISPANIC | |
| **TOTAL** | **30** |

**23** **ELIGIBILITY VERIFICATION: Describe intake process and how information will be obtained to determine clients' Vallejo residency status, and household and income eligibility under the CDBG Program requirements.**

CHDC Intake Application requires clients to provide 3 most recent pay- check stubs for each adult household member; a non-refundable $20 per applicant credit report fee; and 3 most recent years Federal Tax Return for each adult household member.

**24** **ADDITIONAL INFORMATION (OPTIONAL): Applicants may include additional description regarding presented information if desired.**

CHDC uses the CounselorMax and Salesforce database as required by HUD to track activities and results of our rental, financial fitness, pre-purchase, post-purchase and foreclosure intervention counseling. Measurements include number of households completing a home purchase, working toward home purchase and how much time they need to become purchase ready and results of stopping evictions and foreclosure intervention counseling including types of work-outs. We also use the Salesforce Outcomes database to track improvements in credit scores and other benchmarks for our credit counseling and financial fitness clients.

# CITY OF VALLEJO CDBG PROGRAM APPLICATION
# PUBLIC SERVICES ACTIVITIES (Social Services Activities)
# Fiscal Year 2022-23

*Covers July 1, 2022 - June 30, 2023*

## ACTIVITY/PROGRAM BUDGET

**Instructions:** Enter the budget in the shaded cells for the proposed activity or program to be implemented in the City of Vallejo with CDBG funds. Under Funding Sources section, enter all funding sources (including other non-CDBG funding sources, if applicable) related to the proposed activity or program to be implemented in the City of Vallejo (e. g., foundation name, individual contributions, in-kind contributions, other federal/state or local public funding source/s, etc.), the amount of funding requested, and the amount committed. Under Funding Uses section, at Column A enter additional types of expenses if applicable; at Column C enter the line item budget by expense type; at Column E enter only the Vallejo CDBG funding requested amounts, by line item/expense type. Print tab when completed.

| Funding Sources | Amount Requested | Amount Committed |
|---|---|---|
| **Enter Amount of Vallejo FY2022-23 CDBG Request** | $ 30,000 | n/a |
| Other Source: NeighborWorks | $ 225,000 | $ 225,000 |
| Other Source: HUD | $ 25,000 | $ 25,000 |
| Other Source: | | |
| Other Source: | | |
| **TOTAL** | **$ 280,000** | **$ 250,000** |

| Funding Uses | Total Activity/ Program/ Project Budget | Amount Requested from Vallejo CDBG |
|---|---|---|
| Personnel: Salaries (see instructions below) | $ 200,000 | $ 23,000 |
| Personnel: Benefits (see instructions below) | $ 50,000 | $ 7,000 |
| Operating: Supplies | $ 2,000 | |
| Operating: Printing/Copying | $ - | |
| Operating: Postage | $ - | |
| Operating: Telephone | $ 5,000 | |
| Operating: Rent and Utilities | $ 15,000 | |
| Operating: Accounting/Audit | $ 3,000 | |
| Operating: _Insurance_____ | $ 5,000 | |
| Operating: _____ | | |
| **TOTAL** | **$ 280,000** | **$ 30,000** |

| |
|---|
| Budget Narrative: Discuss and justify the items and amounts entered above. If using CDBG for salaries/benefits, list each employee, their position/title, and the percentage of their salary and benefits (e.g., 0.10 FTE) that will be paid with CDBG funds. The City of Vallejo will provide CDBG funds to pay for direct costs only. |
| Katrina Vizinau, Sr. Hsg Counselor (.15); Sedric Mitchell, Sr. Hsg (.20) Counselor providing direct housing counseling services (pre purchase, post purchase, foreclosure intervention, rental and financial) to Vallejo residents. |

**CITY OF VALLEJO CDBG PROGRAM APPLICATION**
**PUBLIC SERVICES ACTIVITIES (Social Services Activities)**
**Fiscal Year 2022-23**
*Covers July 1, 2022- June 30, 2023*

## TIMELINE/PROGRAM SCHEDULE

**Instructions:** Provide a timeline below in the shaded cells showing the specific actions/milestones to be taken to implement the proposed CDBG-funded activity or program in Column A. Enter month/year milestone will be completed in Column C. Enter "not started", "underway", or "completed" in Column E for completion status. The CDBG Program requires timely expenditure of funds, and funding will be made available for the July 1, 2022 through June 30, 2023 period. Print tab when completed.

| COLUMN A<br>Actions/Milestones | COLUMN C<br>Month/Year to be started | COLUMN E<br>Month/Year Completed |
|---|---|---|
| *Example: Outreach to potential clients* | *July-22* | *Aug-22* |
| Create and execute a targeted outreach campaign to Vallejo residents | July-22 | Sep-22 |
| Provided monthly 8 hours HUD approved First TimeHomebuyer workshops | July-22 | 23-Jun |
| Provided quarterly 8 hours Spanish HUD approved homebuyer workshops | August-22 | 23-May |
| Quarterly Financial Fitness Workshops in money management | October-22 | 23-Jun |
| Down Payment Assistance to First Time Homebuyers purchasing in Vallejo | July-22 | 23-Jun |
| One-on-one Education and Counseling to Renters and Homeowners to protect their assest | July-22 | 23-Jun |
| Foreclosurer Intervention and Loan modification assistance | July-22 | 23-Jun |
| Quarterly education campaigns to our community leaders and local churches | October-22 | 23-Feb |
| | | |

Schedule Narrative: Include a narrative to accompany the timeline/program schedule, (optional).

The short-term metrics we will use to measure those outcomes are:
- Number attended Financial Fitness workshops
- Number of clients avoided rental evictions
- Number attended First Time Homebuyer workshops
- Number received First Time Homebuyer counseling
- Number participated in Education and Counseling for Homeowners
- Number of service referrals to friends and family

The long-term metrics we will use to measure those outcomes are:

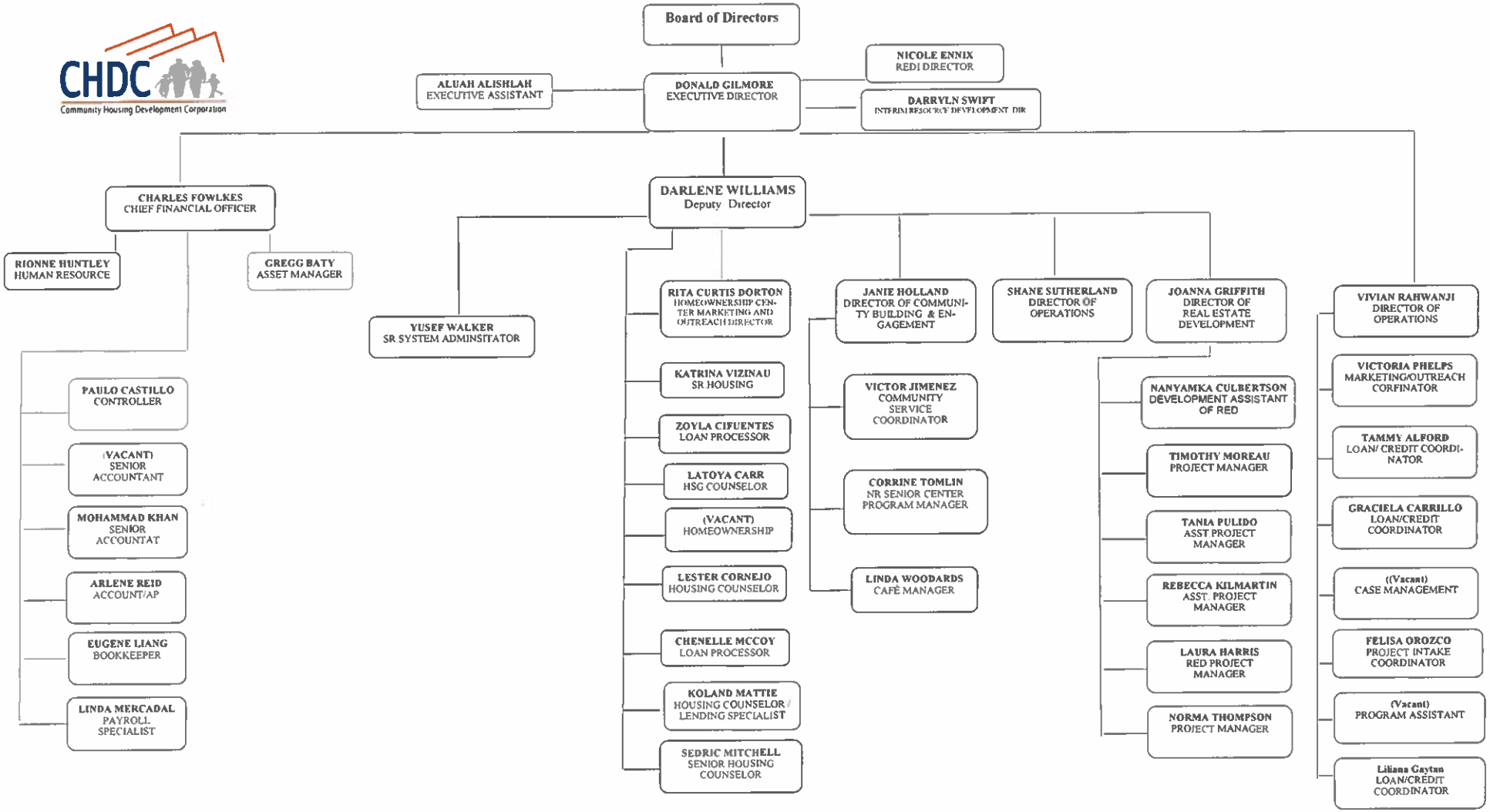
**CITY OF VALLEJO CDBG PROGRAM APPLICATION**
**PUBLIC SERVICES ACTIVITIES (Social Services Activities)**
**Fiscal Year 2022-23**
*Covers July 1, 2022 - June 30, 2023*

**APPLICATION SUPPORTING DOCUMENT REQUIREMENTS**

**Instructions:** Review document submittal requirements to ensure completeness of application and complete shaded cells. Print tab when completed. FOR NEW APPLICANTS ONLY: Organizations/agencies NOT currently receiving CDBG Program funds in FY 2022-23 are required to submit Items #15-20. (Organizations receiving FY 2021-22 CDBG funding are not required to submit these items.)

| Item # | Document Name | Included with Application? Yes/No/"n/a" |
|---|---|---|
| 1 | Completed General Information Tab | Yes |
| 2 | Completed Application Questions Tab | Yes |
| 3 | Completed Budget Tab | Yes |
| 4 | Completed Schedule Tab | Yes |
| 5 | Completed Doc Requirements Tab | Yes |
| 6 | Organizational Chart | Yes |
| 7 | Resumes of Executive Director, Program Manager, and Fiscal Officer | Yes |
| 8 | Resumes of Key Agency Personnel who will be associated with proposed public service activity | Yes |
| 9 | Agency Board of Directors Roster including identification of Board officers, addresses, telephone numbers, and description of general area of board member's expertise | Yes |
| 10 | Resolution authorizing application submittal and authorized signatory for application and contract documents | ~~Yes~~ No |
| 11 | Agency's total budget (CDBG and non-CDBG) for prior two fiscal years | Yes |
| 12 | References: Name, address, telephone, email for references on three (3) recent similar programs or projects, including brief description of work provided by the agency for each reference | Yes |
| 13 | Copy of current insurance coverages for the agency/organization, including workers' compensation | Yes |
| 14 | Agency Conflict of Interest Statement | ~~Yes~~ No |
| 15 | State and Federal (IRS) nonprofit determination letters | Yes |
| 16 | Articles of Incorporation | Yes |
| 17 | Bylaws | Yes |
| 18 | Financial Statements or Audits for last 3 fiscal years | Yes |
| 19 | Written Fiscal/Accounting Policies and Procedures | Yes |
| 20 | Written Personnel Policies and Procedures including Affirmative Action Plan and Grievance Procedure | Yes |

CHDC - HSG COUNSELING


CHDC
Community Housing Development Corporation
Board of Directors
ALUAH ALISHLAH
EXECUTIVE ASSISTANT
DONALD GILMORE
EXECUTIVE DIRECTOR
NICOLE ENNIX
REDI DIRECTOR
DARRYLN SWIFT
INTERIM RESOURCE DEVELOPMENT DIR
CHARLES FOWLKES
CHIEF FINANCIAL OFFICER
RIONNE HUNTLEY
HUMAN RESOURCE
GREGG BATY
ASSET MANAGER
PAULO CASTILLO
CONTROLLER
(VACANT)
SENIOR
ACCOUNTANT
MOHAMMAD KHAN
SENIOR
ACCOUNTAT
ARLENE REID
ACCOUNT/AP
EUGENE LIANG
BOOKKEEPER
LINDA MERCADAL
PAYROLL
SPECIALIST
DARLENE WILLIAMS
Deputy Director
YUSEF WALKER
SR SYSTEM ADMINSITATOR
RITA CURTIS DORTON
HOMEOWNERSHIP CEN-
TER MARKETING AND
OUTREACH DIRECTOR
KATRINA VIZINAU
SR HOUSING
ZOYLA CIFUENTES
LOAN PROCESSOR
LATOYA CARR
HSG COUNSELOR
(VACANT)
HOMEOWNERSHIP
LESTER CORNEJO
HOUSING COUNSELOR
CHENELLE MCCOY
LOAN PROCESSOR
KOLAND MATTIE
HOUSING COUNSELOR /
LENDING SPECIALIST
SEDRIC MITCHELL
SENIOR HOUSING
COUNSELOR
JANIE HOLLAND
DIRECTOR OF COMMUNI-
TY BUILDING & EN-
GAGEMENT
VICTOR JIMENEZ
COMMUNITY
SERVICE
COORDINATOR
CORRINE TOMLIN
NR SENIOR CENTER
PROGRAM MANAGER
LINDA WOODARDS
CAFÉ MANAGER
SHANE SUTHERLAND
DIRECTOR OF
OPERATIONS
JOANNA GRIFFITH
DIRECTOR OF
REAL ESTATE
DEVELOPMENT
NANYAMKA CULBERTSON
DEVELOPMENT ASSISTANT
OF RED
TIMOTHY MOREAU
PROJECT MANAGER
TANIA PULIDO
ASST PROJECT
MANAGER
REBECCA KILMARTIN
ASST. PROJECT
MANAGER
LAURA HARRIS
RED PROJECT
MANAGER
NORMA THOMPSON
PROJECT MANAGER
VIVIAN RAHWANJI
DIRECTOR OF
OPERATIONS
VICTORIA PHELPS
MARKETING/OUTREACH
CORFINATOR
TAMMY ALFORD
LOAN/ CREDIT COORDI-
NATOR
GRACIELA CARRILLO
LOAN/CREDIT
COORDINATOR
((Vacant)
CASE MANAGEMENT
FELISA OROZCO
PROJECT INTAKE
COORDINATOR
(Vacant)
PROGRAM ASSISTANT
Liliana Gaytan
LOAN/CREDIT
COORDINATOR

## Donald A. Gilmore, Executive Director

Mr. Gilmore has over 36 years of experience in affordable housing development, comprehensive community improvement services and program and Executive Director non-profit management. As the Executive Director of Community Housing Development Corporation (CHDC) since 1992, Donald Gilmore is known for spearheading comprehensive neighborhood revitalization efforts. Under Don's leadership, CHDC has completed over 1500 units for affordable rental and homeownership; created and operated programs that foster economic and leadership development for neighborhood residents; built diverse partnerships as well as a strong internal organization to achieve economic improvement for traditionally disinvested neighborhoods; and extended the company's reach to serve communities in Contra Costa, Alameda and Solano Counties. As CHDC's first executive director, Don has built the organization from an all-volunteer to a staff of nearly 50 employees with a variety of services and programs. Real Estate Development, Homeownership & Asset Building, Asset Management, CDFI Lending, Economic Development, Community Engagement, Transportation and Property Management. A few programs are housed under CHDC affiliates. Most recently, under Don's leadership, CHDC has added business lines in real estate brokerage services, with a focus on affordability for first time buyers which includes special lending and down payment assistance funding.

Prior to his leadership at CHDC, Mr. Gilmore worked with the City of Alameda Housing Authority as a Housing Development Specialist, and with Richmond Neighborhood Housing Services as Executive Director. He is a graduate of Harvard University's Achieving Excellence program, holds a bachelor's degree from the College of Idaho and holds numerous professional certifications. He serves on boards of NeighborWorks National Network and numerous NeighborWorks National Advisory Committees, the Non-Profit Housing Association of Northern California, East Bay Housing Organizations, the national Center for Employment Training, the Center for Health of North Richmond.

Rita Dorton-Curtis

**ACCOMPLISHMENTS**

- 2013-Instrumental in implementing Former President Jimmy & Rosalynn Carter 2013 Work Project through Habitat for Humanity East Bay/Silicon Valley (HEBSV)
- 2012- HEBSV received approval as a HUD Housing Counseling Agency
- 2010- Developed and Implemented a Housing Counseling program into HEBSV
- 2003- City of Richmond's Redevelopment Agency Unsung Hero Proclamation
- 2003- City of Richmond's HOPE VI Certificate of Appreciation
- 2001- Parkway Estate Housing Inc. Board of Directors Appreciation Award
- 2001- Community Housing Development Corporation Partnership Award

**Work of Experience**

11/2013- Present: **Community Housing Development Corporation**
**Director of Programs**

Responsible for the smooth operation of the Programs department to ensure that all clients receive excellent customer service and support for their new home purchase, sale or refinance. Responsible for program implementation of CHDC's HUD approved housing counseling agency. Ensure Homeownership and Asset Building Programs meet the National Industry Standards for Homeownership Education Counseling. Oversee asset building programs, including Volunteer Income Tax Assistance, Individual Development Account and Financial Coaching Programs.

4/2008 – 11/2013: **Habitat for Humanity East Bay Silicon Valley**
**VP of Homeowner Relations**

Implemented a housing counseling component into the organization and obtained HUD approval. Facilitates homeowner relations programs and develop, implement and maintain Habitat East Bay/Silicon Valley's homeowner programs. These programs are intended to encompass the entire Habitat East Bay Silicon Valley's homeownership process. The HRD develops homeowner's programs that firmly grasp the knowledge of the communities wherein HEBSV building. In addition, the HRD oversees HEBSV sweat equity and escrow process.

Active participation in the strategic planning process, Create and implement annual strategic plan objectives, Understand the role of homeowner association's and the developer's relationship to them, Expert in homebuyer laws and regulations, Expert in the escrow process, understand the relationship between homeowner issues and the escrow process, understand closing documents, supervise Homeowner Program Specialist, Homeowner Relations Coordinator, Community Development Specialist, Homeowner Education and lending Specialist and Homeownership Counselors.

2004- 2008: **New Covenant Realty & Cedar Financial**
**Realtor, Loan Officer and Loan Processor**

Active Real Estate services and processing loans.

1997- 2005: **HOMEOWNERSHIP OPPORTUNITIES INC.**
**Executive Director/ Founder**

Provided housing counseling services to assist in pre-qualifying individuals to acquire properties developed in conjunction with the City of Richmond's sponsored projects and local non profit agencies. The pre-qualification process included, but not limited too, one-on-one counseling sessions, credit evaluation, credit repair, debt reduction, budgeting, money management, foreclosure prevention, home maintenance, workshops and seminars. Prepared approximately 250 clients for various homeownership developments in Richmond. The developments consisted of 140 single family detached homes and 15 In-fill units. Educated buyer's regarding state and county funds available to 1st time homebuyers. Perform income analysis to determine if clients qualified for various funds. Designed, developed and implemented marketing strategies to attract and retain clients.

Professional references available upon request.

Charles Fowlkes, Chief Financial Officer

Charles Fowlkes was appointed Community Housing Development Corporation's Chief Financial Officer In 2008. As the Chief Financial Officer, Mr. Fowlkes serves as a member of CHDC's executive leadership team and provides operational and programmatic support to the organization and all its affiliates. He manages an operating budget of over $11.6 million and oversees the organization's long-term budgetary strategy and costs management and ensures the financial capacity of the organization to meet its strategic goals. Mr. Fowlkes oversees the accounting department and safeguards the maintenance of internal controls and financial procedures as well as supervising CHDC's accounting and finance staff.

Mr. Fowlkes has 30 years of experience in accounting and finance. Prior to joining CHDC, Mr. Fowlkes worked at Oakland Community Housing, Inc. (0CHI) as the organization's Controller. In this capacity, Mr. Fowlkes was in charge of analyzing and preparing financial statements for all 28 properties managed by 0CHI and its affiliates. At 0CHI, Mr. Fowlkes implemented new accounting systems and procedures, and was responsible for initiating yearly audits. He also held the position of Associate Director of Finance at North General Hospital, a 200-bed hospital in the Harlem neighborhood in New York. At North General Hospital, Mr. Fowlkes supervised a staff of 15 employees responsible for overseeing the hospital's operating budget of over $100 million.

Mr. Fowlkes holds a bachelor's degree in accounting from St. Peters College in Jersey City, NJ. Additionally, he holds numerous professional certifications in finance and accounting. He has served on the board of the Providence Foundation, the nonprofit philanthropic arm of Providence Baptist Church, a 2,000-member church in the Bayview Hunters Point neighborhood in San Francisco. Mr. Fowlkes also provided leadership in the development of Providence Senior Housing, a HUD Section 202 project consisting of 50 affordable units for seniors.

4988 Rocky Road
Richmond, California 94803
Phone (510) 691-4815
E-mail :dwilliamsre@comcast.net

# Darlene Williams

**Employment**

**1999-Present Community Housing Development Corp. of N. Richmond**

**Deputy Director**

- Responsible for supervision of CHDC General Operations, Housing Development, Asset Building Program
- Negotiations (contracts, joint ventures, etc.) with funding sources, project lenders, contractors and other community organizations.
- Assist hiring of department heads: Housing Development, Asset Building, Community Building and Property Management staff.
- Prepare organization and program budgets
- Assist in program development, implementation and evaluation .
- Assist in preparation of reports to Board of Directors, lenders, county and city funding sources.
- Assist in securing ongoing organizational funding and grant writing.
- Represent organization at various meetings (city, lender and neighborhood meetings).
- Responsible for site acquisition and negotiation of purchase contracts.
- Assist Executive Director with general corporation management activities.

**1989-1999 Housing Conservation & Development Corporation, San Francisco**

**Executive Director**

- Responsible for program development, implementation and evaluation of housing activities (rehabilitation and new construction projects)
- Negotiations (contracts, joint ventures, etc.) with funding sources, project lenders, contractors and other community organizations
- Hiring and supervision of all organization personnel (6-8 staff)
- Represents organization at neighborhood, lenders, city hearings and commissions meetings
- Keep board of directors informed about all organizational activities and budgets
- Responsible for securing ongoing organizational funding and grant writing
- Prepare organization and project budgets, administer all corporation and project funds
- Perform direct project management tasks associated with the acquisition, new construction or rehabilitation of housing units (feasibility, selection/supervision of project team, financial packaging, city approvals, contract negotiations, completion of construction and occupancy)

**Employment**

| | |
|---|---|
| **2012 – Present** | **Community Assets Realty, Broker/Officer** |
| **2012 – Present** | **Community First Lending, Broker/Officer** |
| 2008 - 2012 | First Banker Mortgage & Realty, Agent |
| 2004 - 2008 | Bay Area Dream Homes, Pinole, Agent |
| 1998 – 2003 | Coldwell Banker Bartels Realty, Richmond, Agent |
| 1996 – 1997 | Greater Urban Properties, San Pablo, Agent |
| 1987 – 1995 | Century 21 Baldini, San Francisco, Agent |

**Real Estate Broker/Agent**

Primary responsibilities

- Act as an intermediary in negotiations between buyers and sellers over property prices and settlement details, and during the closing of sales.
- Provide financial information and analytical data to the potential buyer or seller.
- Visit and show properties and explain features of homes.
- Determine best method of purchase and review financials
- Seek out acquisition targets and grow book of leads.
- Facilitate acquisition transactions.
- Handle transactions including coordination of inspections, appraisals, escrow, etc.
- Ensure all paperwork is properly filled out.
- Place properties for sale and market them to attract buyers
- Facilitate property inspections and showings
- Compare properties with similar properties to determine fair market price.
- Work with loan officers, attorneys, and agencies to complete purchase.
- Arrange for financing.

**Mortgage Lender/Broker**

Primary responsibilities

- Work with various lenders to find the best deal for a homebuyer.
- Originate loans to sell to lending institutions and/or keep in house
- Act as an intermediary between a lender and a borrower who needs a mortgage loan.
- Evaluate pay stubs, credit history, tax information and bank statements for financial status.
- Work to ensure compliance with banking and or finance laws in the jurisdiction of the consumer.
- Sell loans in the name of other organizations and businesses.
- Verify the income of the borrower as well as gather their credit information.
- Follow through with lender and client during approval process.
- Explain the legal aspects of the loan to the borrower as well as the payment terms and clauses to them.
- Define repayment terms to consumer and educate them on default consequences

2004 – Present **Notary**

- Administer oaths and affirmations, take affidavits and statutory declarations, witness and authenticate the execution of certain classes of documents, take acknowledgments of deeds and other conveyances, etc

**1981- 1983 Ella Hill Hutch Community Center, San Francisco -Executive Director**

**1976 – 1981 Mayor's Office of Employment & Training (now Private Industry Council), San Francisco -Youth Employment Program Coordinator**

**Education, Training**

**Real Estate Certifications: Short Sale and Foreclosure Resource, Broker Price Opinion, Certified HAFA Specialist**

Kaplan/Anthony School of Real Estate (completed license courses) -

Completed classes in Real Estate Broker, Investment, Real Estate Financing, Relocation Services, Fair Housing Law, Real Estate Law, Single Family Housing Development Finance, Multi-Family Housing Development Finance and Problem Solving and Deal Structuring in Housing Development Finance

Bank of America Leadership Academy (1998)

Local Initiative Support Corporation Housing Development Program (1992)

San Francisco State University (1974-76) Major: Political Science

City College of San Francisco (1972-74) Major: Political Science

**Affiliations**

East Bay Regional Multiple Listing Service; Solano Multiple Listing Service; California Association of Realtors; National Association of Realtors, Contra Costa Association of Realtors; National Notary Association, California Mortgage Brokers Association

**Licenses/ Certifications**

CA BRE License # 00966990;
NMLS License #1041636
Certified Home Affordable Forclosures Alternatives (HAFA) Specialist
NAR Short Sale and Foreclosure Certificate
Certified Broker Price Opinion

# LESTER C. SOSA

101 San Domingo Court
San Pablo Ca, 94801
510-460-8096- c
Les8100@comcast.net

**Objective**

I am a highly motivated, Bilingual (Spanish) , detail-orientated, and responsible Leader who is seeking a stable and professional position that will allow me to contribute and further develop my many skills in a positive work environment. I am a proven leader, communicator, strategic and tactical planner committed to professional excellence!

*My greatest asset:* I am an optimistic team player eager for new learning opportunities.

**Summary of qualifications**

17 years managing, Data Entry, Exceptional Customer Service, Word, Excel, Power Point, Microsoft Office, Microsoft Outlook, Publisher, Bilingual fluent in Spanish.

**Employment**

**Community Housing Development Corporation- Richmond Ca**

**Lending Team specialist** **2017- Present**

Manage and led the lending team in daily activities and processes with Mortgage loans and closings. Served as the primary point of contact for the Neighborhood Lift program in which Wells Fargo provided 9.6 Million dollars to four of the Bay area counties. Reviewed all transactions and approved every loan regarding Lift. Communicated with Clients, Title, Escrow and 17 plus Lenders and managed loan pipelines and assured timely close of loans. Provided daily strategies and coaching to our lending team to meet client satisfaction and built lifelong relationships. Helped over 286 Families obtain new homes and made dreams come true. Elevated our Company's Vision thru exceeding goals and raising standards. Obtained my Real estate license.

**Bank of America- Concord ca**

**Home Service Specialist 1** **2015- 2017**

Serve as primary point of contact, providing customer with timely and periodic status updates of their loan application returning all inquiry calls within service level agreement. Responsible for several kept informed routines to ensure that customer expectations are set properly and followed through until booking Is focused on achieving customer delight through successfully establishing customer rapport, setting appropriate expectations, asking probing questions, relationship deepening and executing on all commitments. Ability to meet production, quality and service standards with emphasis on delivering exquisite customer service. Able to articulate difficult and/or complex information in a manner that is clear while conveying compassion to drive customer retention and sales partner confidence. Responsible for collection, review and validation of all required documentation including income, following up with the customer as appropriate. Responsible for initial income analysis of salary and wages, Social Security and Pension. Efficiently manage pipeline of loan applications. Responsible for thoroughly reviewing customer applications and providing detailed information regarding the fulfillment process.

**Star Bucks Coffee**

**Store Manager-** **2014-2015**

Set and communicate clear goals, expectations and responsibilities for my team. Worked with my area manager to understand local market, develop action plans, delegate and provide direction while consistently reviewing the retail store environment and business indicators for area of improvement. Provide quick decision-making and calm leadership during times of high pressure.: Set clear store sales goals and maximize the customer tea experience by identifying all of their tea needs. Provide motivating and inspiring daily conversations with the team focused on the enhanced sales process. Ensure operational compliance for the store (including cash handling, zoning, inventory and stock counts, and merchandising policies). Leveraged reporting and developed sales goals through my team to achieve plan and maximize our business's opportunities. Gather customer feedback to create amazing experiences

and to solve issues. Support the recruitment, retention and development of new hires. Develop a high-performance sales team, build positive relationships through consistent coaching and feedback. Conduct performance reviews and set goals, to develop leaders and build a succession plan.

**BBVA-compass bank, Concord ca**

**Branch Manager- executive** 2013-2014

Coach lead and manage a Branch with no team members, Hire train and rebuild pipelines (customer loans, personal and commercial, Mortgage loans, credit loans). Raise lending goal thru exceeding expectations. Managed and led Customer service Team to develop relations and help customer obtain financial goals. Re-rebuild a team to adjust and cultivate the community for customer growth.

**Wells Fargo Bank- Merced/ Los Banos/ Madera, Ca**

**Branch Manager 3** 2010-2012

Manage and lead the sales and service functions for 3 banking centers thru daily coaching, observations, holding accountability and making business changes as needed. My primary goal was and is to serve the customers total financial need that resulted

in greater market share, wallet share and top Customer service. Promoted, hired and coached team members to a successful road and fueled team members drive with consistent coaching, and holding team accountable. Implemented team members strength to area of operation which resulted in strong service and sales.

**Wells Fargo Bank- Turlock, Ca**

**Customer Service manager/ compliance Manager 2-Wealth Management 2008-2010**

Managed and coached tellers and bankers to superior customer service thru Daily coaching, accountability, and observations. Elevated team to the #1 sales and service team for the Modesto district 2009, developed and maintained a high level of sales and service standards. Maintained Gold level of service for the store and goals were exceeded consistently. Assisted and implemented the sales/service piece with the Wachovia merger in N. Carolina. And developed and trained team members thru the wealth management department and assured customer service satisfaction and relationship expansion.

**Wells Fargo Bank – Ceres, Ca**

**Service Manager 1&2** **2007-2008**

Managed coach and trained Front end tellers with daily customer interactions. Raised and set standards for customer experience thru DAILY coaching and constant positive acknowledgments of service as well as constant accountability. Trained team on knowing stores goals and individuals to adjust daily plan and strategy on a daily basis for full quarterly payout.Promoted all tellers to Bankers and Service Managers with constant coaching and knowing team members goals.

**Education**

1994 - 1998 John Adams city college – San Francisco, Ca

2001- 2003 Chabot city college- Hayward, ca

Diploma

Real Estate License – obtained 04/2019

**Languages**

**English, Spanish read and write**

References- available upon request

## REFERENCES

References available upon request

*SEDRIC D. MITCHELL*

Email: sedricmitchell@yahoo.com 510.504.2521

## SUMMARY OF QUALIFICATIONS

Experienced Real Estate Professional with an emphasis in property evaluation and vendor oversight. Affiliated with one of the largest multinational financial institutions. Worked the lifecycle of most recent foreclosure crisis. Rated as a "top performer" with a consistent track record for meeting/exceeding production goals and customer expectations. Effective communicator who is well organized and possesses superb time management. Strong negotiation skills. Able to operate independently or collaboratively as part of a team to deliver results. Excellent analytical and problem-solving skills.

Areas of expertise include:

| | | |
|---|---|---|
| Foreclosure Prevention | REO Management | Mortgage Lending |
| Loss Mitigation | Data Validation | Vendor Oversight |
| Real Estate Sales | Property Analysis | Broker Price Opinions |

## PROFESSIONAL EXPERIENCE

COMMUNITY HOUSING DEVELOPMENT CORPORATION, Richmond, CA
***Certified HUD Approved* Sr. Housing Counselor** **2015 – Present**

- Organize and conduct HUD approved First Time Home Buyer Workshops
- Counsels potential first time home buyers and prepares them to purchase
- Conduct comprehensive counseling sessions on credit rebuilding and foreclosure prevention
- Negotiate with loan servicers and prepare realistic workout packages for lenders
- Prepare required reports to funders (Neighborworks America, SparkPoint, NFMC)
- Train and supervise all counseling staff
- Represent CHDC by participating in local and statewide housing counseling advocacy and policy collaborations
- Develop partnerships with mortgage loan officers and servicers, non-profit/public housing agencies, and other financial service providers

JP MORGAN CHASE, New York, NY
***Real Estate Specialist/Field Exam Analyst*** **2011 - 2014**

- Managed residential REO portfolio more than 100 assets per month
- Review and report on the company's local market real estate conditions to prevent adverse impact
- Evaluate vacant lots to ensure compliance with local building codes
- Disaster team to prevent risk to the company's real estate portfolio in the event of a crisis
- Ensure no local city and county code violations on owned assets
- Work with internal partners to respond/resolve legal notices, fraud complaints or community concerns
- Interface with public figures on multiple levels in local municipalities in order to be seen as the face of the company

TITANIUM SOLUTIONS, Salt Lake City, UT
***Home Retention Consultant*** **2008 - 2010**

- Partnered with delinquent homeowners within six Bay Area counties to determine options available to potentially prevent foreclosure
- Recognized as a top producer resulting in being assigned a significantly higher number of pre-foreclosure properties. On average, received 50 property assignments per week
- Prepares financial reports with relevant field documentation allowing the bank to make the most sound financial decision

NATIONAL ASSOCIATION OF REAL ESTATE BROKERS, Oakland, CA
***Certified HUD Approved Counselor*** **2009 - 2010**

- Counseled at-risk home owners regarding options related to loan modifications, sale, or foreclosure to help individuals either retain or sell their homes
- Negotiated loan modification work outs under the President's "Making Home Affordable" program with mortgage lenders and servicers to help homeowners retain their properties
- Assisted hundreds of families in retaining their homes during the height of the foreclosure crisis. Over 70% of individuals were able to achieve some variation of workout disposition

BETTER HOMES REALTY, San Leandro, CA
***Realtor*** **1997 - 2007**

Contract negotiation. Over $40 million in residential home sales. Collaborates with Appraisers, Property Inspectors, and Escrow Officers to expedite the sales process.

PREMIER HOME EQUITY INC., San Leandro, CA
***Loan Consultant*** **2004 - 2007**

Worked in conjunction with lenders, investors, and home buyers to secure financing, for the purpose of purchasing residential properties.

## EDUCATION/TRAINING

**Neighborworks, Oakland, CA** - Certified HUD Housing Counselor Trainings
**National Association of Realtors, Oakland, CA** – State of California Department of Real Estate
**California School of Real Estate, Oakland, CA** – Real Estate Sales, Loans and Property Mgt.
**Samuel Merritt College, Oakland, CA** - General education course with photography major

## COMPUTER SKILLS

Microsoft Office, Access, Paragon 4, Encompass, Land Safe, LPS, CounselorMax, ETO

## ACHIEVEMENTS/HONORS

JP Morgan Chase – One of the Top Field Agents in the USA market with 108% quality rating
JP Morgan Chase - 3 x recipient – Chase All Star – 2011, 2012, 2013
Better Homes Realty - Top Sales Agent from 2004 to 2007

# Katrina Vizinau

## Professional Profile

Senior Housing Counselor

- Counsel First Time Homebuyers
- Counsel Existing Homeowners
- Conduct Homeownership and Foreclosure Prevention Workshops
- Participate as panelist for various homeownership education and Foreclosure Prevention events
- Identify and Develop Partnerships
- Analyze Financial information and make assessments
- Create action plans for clients to assist them with achieving set goals
- Write business correspondence
- Facilitate the development and implementation of a mortgage loan department
- Negotiate mortgage workout plans for homeowners
- Conduct research for funding opportunities
- Promote organizations through participation in collaboration efforts

## Professional Accomplishments

- Certificate of Professional Recognition in Housing Counseling Training
- Certificate of Training for HUD/FHA Equity Conversion Mortgage (HECM)
- Certified Financial Coach with Crown Financial Ministries
- Certificate of Training for NCHEC Foreclosure Intervention and Default Counseling
- State of California Licensed Real Estate Agent
- State of California Notary
- Worked as a public accountant for 3+ years and an auditor of non-profit organization, S&P 500 corporations, and private small businesses.
- Develop materials to assist housing counselors with counseling duties

**Completed NeighborWorksR Training Courses**

- Homebuyer Education Methods: Training the Trainer/Advanced Parishioners
- Post Purchase Education Methods
- Credit Counseling for Maximum Results
- Advanced Foreclosure Prevention
- Finding Funds for Economic Development
- Loan Servicing and Collections
- Combating Predatory Lending
- Nonprofit Mortgage Broker
- Compliance with State and Federal Regulations

**Completed Continuing Education Courses for California Real Estate License**

- Real Estate Finance
- Rea Estate Law
- Appraisal
- Risk Management

## Professional Affiliation

- Contra Costa County Anti-Predatory Lending Task Force
- The West Contra Costa Don't Borrow Trouble Campaign
- Northern California Housing Counseling Network
- California Reinvestment Coalition Board Member 2008-2010

## Work History

| | | |
|---|---|---|
| **Senior Housing Counselor** | CHDCNR, Richmond, CA | 2004 – present |
| **Housing Counselor** | RNHS, Richmond, CA | 2000 - 2002 |
| **Internal Auditor** | City of Berkeley | 1998-2000 |
| **Loan Officer** | North American Mortgage, Concord CA | 1996-1997 |
| **Internal Auditor** | Lockheed Corporation | 1993-1995 |
| **Public Accountant** | Williams Adely & Company | 1989-1992 |

## Education

| | | |
|---|---|---|
| **Bachelor of Science, Accounting** | CSUH, Hayward, CA | 1989 |

## 2022 CHDC Board of Directors

**President**
Jennifer Hicks
284 Sextus Road, Oakland, CA 94603
510-301-5575
**Jenny Hicks <jenny@jvhempower.com**

**Vice President**
Larry Taylor
Retired, Housing Executive Director
655 55th Street
Oakland, CA 94619
(510) 652-6484
(510) 501-3428 Cell
cdcoakland@aol.com

**Secretary**
Maria Hardy Benjamin
Dir Homeownership & Below Mkt Rate
Housing SFMOHCD
689 Amador Street
Richmond, CA 94805
(510) 233-0293/(510) 776-7522
**maria.benjamin@sfgov.org**

**Treasurer**

Fred Lambright
VP, Community Development Manager & CRA
Officer
Mechanics Bank
6114 LaSalle Avenue #116 Oakland, CA 94611
(510) 507-3408
fred_lambright@mechanicsbank.com

**Executive Board Member at Large**
Lesley Stewart
LNS Unlimited, LLC
1887 Kolob Drive
Fairfield, CA 94534
(707) 422-8203/ (510) 421-2916
(707) 402-6353 Fax
**lns1120@gmail.com**

Annie King-Meredith
Retired-Project Manager
North Richmond Family Service Center
299 Verde Avenue
Richmond, CA 94801
(510) 932-9312 Cell
**akingmeredith@yahoo.com**

Kathryn Hoover
Attorney, Former City Housing Manager
1727 Louisiana Street
Vallejo, CA 94590
(510) 551-6104
**kithoover@comcast.net**

Marena Brown
Program Manager
Youth Services Bureau, Wrap Program
1240 Leo Street
Richmond, CA 94619
(510) 233-4579
(510) 932-3471 Cell
(510) 231-7812 Ext. 303
**mbrown@wccysb.org**

**CHDC**
**2021 APPROVED REVISED OPERATING BUDGET SUMMARY**

**REVENUE**

| Source | 2021 APPROVED REVISED BUDGET |
|---|---|
| Government Grants | $ 2,069,754 |
| Foundation Grants | 214,839 |
| Developer Fees | 890,000 |
| Project Management/Service Fees | 105,150 |
| Underwriting | 408,075 |
| Partnership Management Fees | 254,022 |
| Interest & Dividends | 11,670 |
| Rental Income | 24,600 |
| Gain on Project Sale | 1,000,000 |
| Annual Fundraiser | - |
| Program Fees | 27,400 |
| PPP Forgivness | 349,700 |
| Seller Note - Barrett Plaza Housing Corp | 943,716 |
| NeighborWorks | 194,000 |
| Miscellaneous Revenue | |
| **TOTAL** | **$6,492,926** |

**EXPENSE**

| | |
|---|---|
| Wages | $ 3,238,944 |
| COLA/FICA/WC/SUI/ETT | 269,135 |
| Employees Benefits | 304,295 |
| Professional Fees | 106,008 |
| Contract Services | 44,985 |
| Supplies | 12,110 |
| Communications | 63,615 |
| Copying, Printing, Publications/Subscriptions | 2,500 |
| Dues, Membership, Licensing & Com. Org Suppor | 12,000 |
| Insurance | 21,500 |
| Occupancy | 62,957 |
| Equipment | 27,564 |
| Meals, Food, Travel | 25,000 |
| Conference/Workshops | 20,000 |
| Transportation | 896,000 |
| Staff/Volunteer | 2,500 |
| Board Retreat | 708 |
| Property Taxes | 36,244 |
| Miscellaneous | 114,737 |
| Reserves | 1,232,124 |
| **TOTAL** | **6,492,926** |
| **Surplus/(Deficit)** | **$ 0** |

**CHDC**
**2020 OPERATING PROPOSED BUDGET SUMMARY**

**REVENUE**

| Source | 2020 APPROVED BUDGET |
|---|---|
| Government Grants | $ 1,113,571 |
| Foundation Grants | 439,866 |
| Developer Fees | 2,400,000 |
| Program Income | 6,000 |
| Project Management/Service Fees | 164,390 |
| Partnership Management Fees | 92,900 |
| Interest & Dividends | 1,000 |
| Rental Income | 42,100 |
| Gain on Project Sale | 350,000 |
| Annual Fundraiser | 25,000 |
| Program Fees | 26,800 |
| NeighborWorks | 190,000 |
| **TOTAL** | **$ 4,851,626** |

**EXPENSE**

| | |
|---|---|
| Wages | $2,151,887 |
| COLA/FICA/WC/SUI/ETT | 253,040 |
| Employees Benefits | 313,587 |
| Professional Fees | 88,765 |
| Contract Services | 45,294 |
| Supplies | 21,000 |
| Communications | 56,577 |
| Copying, Printing, Publications/Subscriptions | 11,000 |
| Dues, Membership, Licensing & Com. Org Support | 12,000 |
| Insurance | 23,000 |
| Occupancy | 40,224 |
| Equipment | 22,000 |
| Meals, Food, Travel | 25,000 |
| Conference/Workshops | 12,000 |
| Client Activities/Transportation | 422,438 |
| Staff/Volunteer | 1,700 |
| Board Retreat | 20,000 |
| Property Taxes | 20,000 |
| Miscellaneous | 14,000 |
| Reserves | 1,298,115 |
| **TOTAL** | **4,851,626** |
| **Surplus/(Deficit)** | **$ 0** |

Christia Katz Mulvey
Manager, Housing Development Services
City of Oakland – Housing & Community Development
250 Frank Ogawa Plaza, Oakland CA 94612
510.238.3623 (ph); 510.238.3691 (fax); cmulvey@oaklandca.gov

Charice Duckworth
Development Project Manager
City of Richmond
Community Development, 2nd Floor
450 Civic Center Plaza
Richmond, CA 94804
(510) 412-2052 (Direct
Charice_Duckworth@ci.richmond.ca.us

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 4/2/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

**PRODUCER**
Arthur J. Gallagher & Co.
Insurance Brokers of CA, Inc. LIC #0726293
595 Market Street, Suite 2100
San Francisco CA 94105

CONTACT NAME:
PHONE (A/C, No, Ext): 415-536-8488 FAX (A/C, No): 415-536-5755
E-MAIL ADDRESS: CertRequests@ajg.com

| INSURER(S) AFFORDING COVERAGE | NAIC # |
|---|---|
| INSURER A: BCS Insurance Company | 38245 |
| INSURER B: Philadelphia Indemnity Insurance Company | 18058 |
| INSURER C: Philadelphia Insurance Company | |
| INSURER D: | |
| INSURER E: | |
| INSURER F: | |

**INSURED**
Community Housing Development
Corporation of North Richmond
1540 Fred Jackson Way,
Richmond CA 94801

**COVERAGES** **CERTIFICATE NUMBER:** 1351680429 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|---|---|---|---|---|---|---|---|---|
| C | X COMMERCIAL GENERAL LIABILITY | Y | Y | PHPK2255424 | 4/1/2021 | 4/1/2022 | EACH OCCURRENCE | $ 1,000,000 |
| | CLAIMS-MADE [X] OCCUR | | | | | | DAMAGE TO RENTED PREMISES (Ea occurrence) | $ 300,000 |
| | X EmployeeBenefits | | | | | | MED EXP (Any one person) | $ 15,000 |
| | | | | | | | PERSONAL & ADV INJURY | $ 1,000,000 |
| | GEN'L AGGREGATE LIMIT APPLIES PER: | | | | | | GENERAL AGGREGATE | $ 2,000,000 |
| | POLICY [ ] PRO-JECT [X] LOC | | | | | | PRODUCTS - COMP/OP AGG | $ 2,000,000 |
| | X OTHER: GL Ded: $0 | | | | | | | $ |
| C | AUTOMOBILE LIABILITY | | | PHPK2255424 | 4/1/2021 | 4/1/2022 | COMBINED SINGLE LIMIT (Ea accident) | $ 1,000,000 |
| | X ANY AUTO | | | | | | BODILY INJURY (Per person) | $ |
| | OWNED AUTOS ONLY / SCHEDULED AUTOS | | | | | | BODILY INJURY (Per accident) | $ |
| | X HIRED AUTOS ONLY / X NON-OWNED AUTOS ONLY | | | | | | PROPERTY DAMAGE (Per accident) | $ |
| | | | | | | | Comp Ded: $1,000 | $ Coll Ded: $1,000 |
| C | X UMBRELLA LIAB X OCCUR | Y | Y | PHUB761867 | 4/1/2021 | 4/1/2022 | EACH OCCURRENCE | $ 10,000,000 |
| | EXCESS LIAB CLAIMS-MADE | | | | | | AGGREGATE | $ 10,000,000 |
| | DED X RETENTION $ 10,000 | | | | | | | $ |
| | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY | | | | | | PER STATUTE / OTH-ER | |
| | ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N [ ] (Mandatory in NH) | N / A | | | | | E.L. EACH ACCIDENT | $ |
| | If yes, describe under DESCRIPTION OF OPERATIONS below | | | | | | E.L. DISEASE - EA EMPLOYEE | $ |
| | | | | | | | E.L. DISEASE - POLICY LIMIT | $ |
| B | Professional Liability | | | PHSD1608919 | 4/1/2021 | 4/1/2022 | Limit: | $1,000,000 |
| A | Cyber | | | RPSP50200704M | 4/9/2021 | 4/9/2022 | Limit: | $1,000,000 |
| C | Crime | | | PHPK2255424 | 4/1/2021 | 4/1/2022 | Limit: | See below |

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES** (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Crime Policy - Limits of Insurance

Employee Dishonesty - $500,000
Money and Security Inside the Premises - $10,000
Money and Security Outside the Premises - $10,000
Money Orders and Counterfeit Paper Currency - $10,000
Kidnap and Ransom – Extortion - $50,000
Forgery or Alteration - $250,000
See Attached...

**CERTIFICATE HOLDER**

City of Vallejo
555 Santa Clara Street
Vallejo CA 94590
USA

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Marylene Kallopaio

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AGENCY CUSTOMER ID: _____

LOC #: _____

# ADDITIONAL REMARKS SCHEDULE



| | |
|---|---|
| AGENCY<br>Arthur J. Gallagher & Co. | NAMED INSURED<br>Community Housing Development<br>Corporation of North Richmond<br>1540 Fred Jackson Way,<br>Richmond CA 94801 |
| POLICY NUMBER | |
| CARRIER / NAIC CODE | EFFECTIVE DATE: |

## ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Credit or Debit Card Forgery - $50,000
Computer Fraud - $250,000

The City of Vallejo, its officers, officials, employees, agents, or volunteers are included as additional insureds with respect to the Pre and Post Education and Counseling homebuyer program.



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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

| **Name Of Additional Insured Person(s) Or Organization(s):** |
|---|
| As Required by Written Contract |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |

**A.** **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.


© Insurance Services Office, Inc., 2012

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

**SCHEDULE**

**Name of Person or Organization:**
City of Vallejo
555 Santa Clara Street
Vallejo CA 94590

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule as an insured but only with respect to liability arising out of your operations or premises owned by or rented to you.

 Copyright, Insurance Services Office, Inc., 1984 

# ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 1/24/2022

PRODUCER (510)235-0353 FAX
M A Hays Insurance
CA License #0094750
232 Broadway
Richmond CA 94804

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
Community Housing Dev. Corp Of North Richmond XXX
1535A Fred Jackson Way
Richmond CA 94801

| INSURERS AFFORDING COVERAGE | NAIC # |
|---|---|
| INSURER A: Travelers Ins. | |
| INSURER B: Sequoia Ins. Co. | |
| INSURER C: | |
| INSURER D: | |
| INSURER E: | |

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | ADD'L INSRD | TYPE OF INSURANCE | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YY) | POLICY EXPIRATION DATE (MM/DD/YY) | LIMITS | |
|---|---|---|---|---|---|---|---|
| | | GENERAL LIABILITY<br>COMMERCIAL GENERAL LIABILITY<br>CLAIMS MADE / OCCUR<br>GEN'L AGGREGATE LIMIT APPLIES PER:<br>POLICY / PRO-JECT / LOC | | | | EACH OCCURRENCE | $ |
| | | | | | | DAMAGE TO RENTED PREMISES (Ea occurrence) | $ |
| | | | | | | MED EXP (Any one person) | $ |
| | | | | | | PERSONAL & ADV INJURY | $ |
| | | | | | | GENERAL AGGREGATE | $ |
| | | | | | | PRODUCTS - COMP/OP AGG | $ |
| | | AUTOMOBILE LIABILITY<br>ANY AUTO<br>ALL OWNED AUTOS<br>SCHEDULED AUTOS<br>HIRED AUTOS<br>NON-OWNED AUTOS | | | | COMBINED SINGLE LIMIT (Ea accident) | $ |
| | | | | | | BODILY INJURY (Per person) | $ |
| | | | | | | BODILY INJURY (Per accident) | $ |
| | | | | | | PROPERTY DAMAGE (Per accident) | $ |
| | | GARAGE LIABILITY<br>ANY AUTO | | | | AUTO ONLY - EA ACCIDENT | $ |
| | | | | | | OTHER THAN AUTO ONLY: EA ACC | $ |
| | | | | | | AGG | $ |
| | | EXCESS/UMBRELLA LIABILITY<br>OCCUR / CLAIMS MADE<br>DEDUCTIBLE<br>RETENTION $ | | | | EACH OCCURRENCE | $ |
| | | | | | | AGGREGATE | $ |
| | | | | | | | $ |
| | | | | | | | $ |
| | | | | | | | $ |
| B | | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?<br>If yes, describe under SPECIAL PROVISIONS below | QWC1100430 | 02/19/2021 | 02/19/2023 | X WC STATUTORY LIMITS X OTHER | |
| | | | | | | E.L. EACH ACCIDENT | $ 1,000,000 |
| | | | | | | E.L. DISEASE - EA EMPLOYEE | $ 1,000,000 |
| | | | | | | E.L. DISEASE - POLICY LIMIT | $ 1,000,000 |
| A | | OTHER Directors and Officers | 105618912 | 5/24/2021 | 5/24/2022 | D&O | $1,000,000 |
| | | | | | | EPLI | $1,000,000 |

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS
Waiver of subrogation applies on the workes comp policy.

CERTIFICATE HOLDER

CITY OF VALLEJO
Housing & Community Development
Department
200 GEORGIA STREET
VALLEJO, CA 94590

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

## IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

Policy Number: QWC1100430
Effective Date: 2-19-2021
Named Insured and Address: Community Housing Dev. Corp of North Richmond
1535A Fred Jackson Way
Richmond, CA 94801

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 5% of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE

| Person or Organization | Job Description |
|---|---|
| City of Vallejo<br>Housing & Community Development Department<br>200 Georgia Street<br>Vallejo, CA 94590 | |

STATE OF CALIFORNIA
**FRANCHISE TAX BOARD**
PO BOX 942857
SACRAMENTO CA 94257-0540

# Entity Status Letter

Date: 8/25/2021

ESL ID: 5041290318

## Why You Received This Letter

According to our records, the following entity information is true and accurate as of the date of this letter.

Entity ID: 1514126

Entity Name: COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND

- [x] 1. The entity is in good standing with the Franchise Tax Board.
- [ ] 2. The entity is **not** in good standing with the Franchise Tax Board.
- [x] 3. The entity is currently exempt from tax under Revenue and Taxation Code (R&TC) Section 23701 d.
- [ ] 4. We do not have current information about the entity.
- [ ] 5. The entity was administratively dissolved/cancelled on through the Franchise Tax Board Administrative Dissolution process.

## Important Information

- This information does not necessarily reflect the entity's current legal or administrative status with any other agency of the state of California or other governmental agency or body.
- If the entity's powers, rights, and privileges were suspended or forfeited at any time in the past, or if the entity did business in California at a time when it was not qualified or not registered to do business in California, this information does not reflect the status or voidability of contracts made by the entity in California during the period the entity was suspended or forfeited (R&TC Sections 23304.1, 23304.5, 23305a, 23305.1).
- The entity certificate of revivor may have a time limitation or may limit the functions the revived entity can perform, or both (R&TC Section 23305b).

## Connect With Us

Web: **ftb.ca.gov**
Phone: 800.852.5711 from 7 a.m. to 5 p.m. weekdays, except state holidays
916.845.6500 from outside the United States
TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

C. In furtherance, but not in limitation, of the foregoing charitable, educational and scientific purposes, the Corporation shall have the following powers:

1. To borrow money, and to make, accept, endorse, execute and issue bonds, debentures, promissory notes, and other corporate obligations for monies borrowed, or in payment for properly acquired or for any of the purposes of the corporation, and to secure payment of any such obligation by mortgage, pledge, deed, indenture agreement or other instrument of trust, or by other lien upon assignment of or agreement in regard to all or any part of the property, rights or privileges of the corporation.

2. To conduct educational, advocacy, and other efforts to eliminate prejudice and discrimination in the housing, business and financial communities and to foster the establishment of sound and constructive relationships with those communities that will further the primary purposes of this corporation.

3. To engage in the activity of operating business ventures for the purposes of providing job training, employment, and managerial development opportunities to said residents for the charitable purpose of furthering the economic development of the community.

4. To engage in other activities which will directly or indirectly improve the welfare and economic conditions of said residents and groups.

III

Agent of Service intentionally left blank pursuant to Corporations Code Section 5819.

IV

This corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

V

The property of this corporation is irrevocably dedicated to charitable purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or the provision for payment of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

VI

The number of directors and the manner in which directors shall be chosen and removed from office, their qualifications, powers, duties, term of office, the manner of filling vacancies on the board of directors and the manner of calling and holding meetings of directions shall be as stated in the bylaws.

3. The foregoing amendment and restatement of the Articles of Incorporation has been duly approved by the Board of Directors of the Corporation.

4. The Corporation has no members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: March 8, 2005

Annie M. King-Meredith, President

Jesse Slocum, Secretary

Adopted as of March 8, 2005



OFFICE OF THE SECRETARY OF STATE

# AMENDED AND RESTATED
# BYLAWS

# OF

# THE COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND

(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)

Revised 03/08/05

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Certificate of Secretary

## ARTICLE 1.
## NAME

The name of this corporation shall be the Community Housing Development Corporation of North Richmond.

## ARTICLE 2.
## OFFICES

Section 2.1 Principal Executive Office. The principal executive office of the corporation shall be located in Contra Costa County, California. The Board of Directors may change the location of this office. Any such change shall be noted on these Bylaws by the Secretary, opposite this section, or this section may be amended to state the new location.

Section 2.2 Other Offices. Other offices may at any time be established at any place or places by the Board of Directors.

## ARTICLE 3.
## OBJECTIVES AND PURPOSES

The Corporation shall be dedicated primarily to the promotion of the general welfare and economic development of low-income groups residing in the State of California and elsewhere, as stated in greater detail in Article II of this corporation's Articles of Incorporation.

This corporation has been formed under the California Nonprofit Public Benefit Corporation Law for the charitable purposes described above, and it shall be Nonprofit and non-partisan. No substantial part of the activities of the corporation shall consist of the publication or dissemination of materials or statements with the purpose of attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

The corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the charitable purposes described in the Articles of Incorporation.

## ARTICLE 4.
## DEDICATION OF ASSETS

The properties and assets of this nonprofit corporation are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of this corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member, director or officer of this corporation. On liquidation or dissolution, all properties, assets, and obligations shall be distributed and paid over to an organization dedicated to charitable purposes which has established its tax-exempt status under Internal Revenue Code Section 501(c)(3).

## ARTICLE 5.
## MEMBERSHIP

Section 5.1 Statutory Members. The corporation shall not have any members within the meaning of Section 5056 of the California Corporations Code.

Section 5.2 Non-statutory Members. Upon designation of criteria for advisory membership by the Board of Directors, the corporation may have advisory members who are not members within the meaning of Section 5056 of the California Corporations Code.

## ARTICLE 6.
## BOARD OF DIRECTORS

Section 6.1 Powers. Subject to the provisions of the California Nonprofit Corporation Law, the activities and affairs of the corporation shall be the managed and all corporation powers shall be exercised by or under the direction of the Board of Directors. The Board of Directors may delegate the management of the day-to-day operation of the business of the corporation to a management company, committee (however composed), or other person, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board of Directors.

Section 6.2 Number of Directors. The Board of Directors shall, from time to time by resolution, fix the number of Directors, but at no time shall there by fewer than five (5) or no more than fifteen (15) Directors.

Section 6.3 Qualifications of Directors. Each Director shall be a natural person at least 21 years of age.

The members of the Board of Directors shall be appointed by the Board of Directors.

It is the intent of the corporation that the composition of the Board of Directors shall represent a diversity of technical skills to enable the Board of Directors to make informed, well-balanced decisions on the economic viability and social impact of its activities. However, at all times a majority of the members of the Board of Directors shall be composed of persons residing in low income neighborhoods.

Section 6.4 Restriction on Interested Directors. No persons serving on the Board of Directors at any time may be interested persons. An interested person is:

(a) Any director, principal, officer, or member of a committee with the Board's delegated powers who has a direct or indirect Financial Interest (as defined below;

(b) Any person being compensated by the corporation for services rendered to it within the previous twelve (12) months, whether a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; or

(c) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the corporation.

Section 6.5 Conflict of Interest. The Board of Directors shall follow the provisions set forth in this Section 6.5 regarding Conflict of Interest.

(a) Financial Interest. A person has a Financial Interest if the person has, directly, or indirectly, through business, investment or family – (i) an ownership or investment interest in any entity with which the Corporation has a transaction or arrangement with, (ii) a compensation agreement with the Corporation or with any entity or individual with which the Corporation has a transaction agreement, or (iii) a potential ownership or investment interest in, or compensation agreement with, any entity or individual with which the Corporation is negotiating a transaction or agreement. Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

(b) Duty to Disclose. In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence and nature of his/her Financial Interest and must be given the opportunity to disclose all material facts to the directors (or members of the appropriate committee with board delegated powers) considering the proposed transaction or undertaking.

(c) Determining Whether a Conflict of Interest Exist. After disclosure of the Financial Interest and all material facts, and the Interested Person shall leave the Board or committee meeting while the determination of conflict of interest is discussed and voted upon. After exercising due diligence, the Board or committee, if appropriate, shall determine whether the Corporation can obtain a more advantageous transaction or agreement with reasonable efforts from a person or entity that would not give rise to a conflict of interest. If a more advantageous transaction or agreement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board or committee shall determine by a majority vote of the Directors other than the Interested Person whether the transaction or agreement is in the Corporation's best interest and for its own benefit and whether the transaction is fair and reasonable to the Corporation, and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination. The minutes of the Board and all committees with board-delegated powers shall record the names of all persons participating in the meeting, a summary of the discussion, including any proposed alternative agreements, and a record of any votes taken in connection with the final determination.

(d) Determining What is Fair. To be considered fair and reasonable and to avail itself of the rebuttable presumption of reasonableness as set forth in 26 U.S.C. Section 4958, the Corporation shall use comparability data by looking at similar transactions by a least three similar entities if the Corporation has annual gross receipts (including contributions) of less than $1 million (or more than three similar transactions for larger Corporations). A fair and reasonable transaction is generally an arms-length transaction.

(e) Annual Statements. Each director, principal officer and member of a committee with board delegated powers, shall annually sign a statement which affirms that such person (i) has received a copy of the conflicts of interest policy, (ii) has read and understands the policy, (iii) has agreed to comply with the policy, and (iv) understands that the Corporation is a charitable organization and that in order to maintain its federal tax-exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

(f) Periodic Review. To ensure that the Corporation operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as a an organization exempt from federal income tax, periodic reviews of the conflicts of interest policy and requirements shall be conducted

Section 6.6 Election and Term of Office. At the corporation's annual meeting in January 1998, the directors shall be classified into three groups for the purpose of providing, as nearly as numerically possible, for the election of one-third of the Board of Directors each subsequent year in which the membership of the Board shall change. The first group shall consist of directors whose term of office shall continue for three years. The second group shall consist of directors whose term of office shall continue for four years. The third group shall consist of directors whose term of office shall continue for five years.

Except as provided above, the term of office of each director shall be five years and until his or her successor has been selected and seated.

If any annual meeting is not held or the directors are not appointed at the annual meeting of the Board of Directors, the directors may be appointed at any meeting of the Board of Directors. After January 1998, any director, including those who begin in terms in January 1998, may succeed himself or herself in office once, but thereafter no director may serve more than two consecutive terms.

Section 6.7 Vacancies and Removal. A vacancy in the Board of Directors shall be deemed to exist on the occurrence of the following:

(i) The death, resignation, or removal of any director;

(ii) The declaration by the Board of Directors of a vacancy in the office of a director who has been declared of unsound mind by a final order of the court, or convicted of a felony, or has been found by a final order or judgment of any court to have breached any duty under Sections 5230-38 of the California Corporations Code dealing with standards of conduct for a director.

(iii) The failure of a director to attend three (3) out of five (5) consecutive general meetings of the board of Directors or a total of five (5) meetings of the Board of Directors without a leave of absence granted by resolution of the Board of Directors, provided however, that any Director terminated by such non-attendance may, within thirty (30) days of such termination, appeal the

termination to the Board of Directors. Whereupon the Board of Directory may by resolution reinstate such terminated Director. Any leave of absence shall be limited to six (6) months.

(iv) An increase in the authorized number of directors; or

(v) The failure of the directors, at any annual or other meeting of directors at which any director or directors are elected, to elect the full authorized number of directors to be voted for at that meeting.

The Board of Directors, by affirmative vote of two-thirds of the directors then in office, may remove any director without cause at any regular or special meeting; provided that the director to be removed has been notified in writing in the manner set forth in Section 6.12 of this Article 6 that such action would be considered at the meeting.

All vacancies may be filled by vote of a majority of the directors then in office, whether or not the majority is less than a quorum, or by vote of a sole remaining director. Each director so appointed shall hold office until his or her successor is appointed at an annual or other meeting of the Board.

Section 6.8 Resignation of Directors. Any director may resign effective upon giving written notice to the Chairperson of the Board or the Secretary of the Board. The resignation shall be effective when the notice is given unless the notice specifies a later time for the effectiveness of the resignation. If a director's resignation is effective at a later date, the board may elect a successor to take office when the resignation becomes effective. Unless the California Attorney General is first notified, no director may resign when the corporation would then be left without a duly elected director or directors in charge of its affairs.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of the director's term of office.

Section 6.9 Place of Meetings: Meetings by Telephone. Regular meetings of the Board of Directors may be held at any place within or outside the State of California that has been designated from time to time by the Board. In the absence of such designation, regular meetings shall be held at the principal executive office of the corporation. Special meetings of the Board shall be held at any place within or outside the State of California that has been designated in the notice of the meeting, if not stated in the notice, or if there is no notice, at the principal executive office of the corporation. Notwithstanding the above provisions of this Section 6.9, a regular or special meeting of the Board of Directors may be held at any place consented to in writing by all the Board members, either before or after the meeting. If consents are given, they shall be filled with the minutes of the meeting. Any meeting, regular or special, may be held by conference telephone or similar communications equipment, as long as all directors participating in the meeting can hear one another, and all such directors shall be deemed to be present in person at such meeting.

Section 6.10 Annual Meeting. The Board of Directors shall hold a regular meeting in January of each year, for the purpose of appointing directors and officers of the corporation, and for the transaction of other business. Notice of the annual meeting shall be given in the manner set forth in Section 6.12 of this Article 6.

Section 6.11 Other Regular Meetings. Other regular meetings of the Board of Directors shall be held at such times as fixed by the Board of Directors.

Section 6.12 Special Meetings. Special meetings of the Board of Directors for any purpose may be called at any time by the Chairperson of the Board, the Executive Director, the Secretary, or any two directors.

Written notice of the time and place of special meetings shall be delivered personally to each director or communicated to each director by telephone, or by telegraph or first-class mail, with charges prepaid, addressed to the director at the director's address as it is shown upon the records of the corporation or, if it is not so shown on such records or is not readily ascertainable, at the place at which the meetings of the directors are regularly held. In case such notice is mailed, it shall be deposited in the United States mail at least four (4) days prior to the time of the holding of the meeting. In such case notice is delivered personally or by telephone or telegraph, it shall be so delivered at least forty-eight (48) hours prior to the time of the holding of the meeting. Such mailing or delivery, personally or by telephone or telegraph, shall be due, legal, and personal notice to such director.

Notice of a meeting need not be given to any director who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes of the meeting, whether before or after the meeting, or who attends the meeting without protesting, prior to the meeting or at its commencement, the lack of notice to such director. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 6.13 Action at a Meeting; Quorum and Required Vote. Presence of a majority of the directors then in office or three directors, whichever is greater, at a meeting of the Board of Directors constitutes a quorum for the transaction of business, except as otherwise provided in these Bylaws. Every act done or decision made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, unless a greater number, or the same number after disqualifying one or more directors from voting, is required by the Articles of Incorporation, these Bylaws, or the California Nonprofit Corporation Law. A meeting at which a quorum is initially present, including an adjourned meeting, may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a disinterested majority of the required quorum for such meeting, or such greater number as required by the Articles of Incorporation, these Bylaws or the California Nonprofit Corporation Law. Adoption or revocation of a plan of merger; consolidation; voluntary dissolution; bankruptcy or reorganization; or for the sale, lease, or exchange of all or substantially all of the property and assets of the corporation otherwise than in the usual and regular course of its business, requires the approval of two-thirds (2/3) of the authorized number or directors of the corporation.

Section 6.14 Adjourned .Meeting and Notice. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment. Such notice may be waived in the manner provided for in Section 6.12.

Section 6.15 Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as the unanimous vote of such directors. For purposes of this section only, "all members of the Board", does not include any "interested directors" as defined in Section 5233 of the California Corporations Code.

Section 6.16 Fees and-Compensation. Directors and members of committees may receive such reasonable compensation, if any, for their services, and such reasonable reimbursement for expenses, as may be fixed or determined by resolution of the Board of Directors.

## ARTICLE 7.
## COMMITTEES

Section 7.1 Committees of Directors. The Board or Directors may, by resolution adopted by a majority of the directors the directors then in office, provided that a quorum is present, designate one or more committees, each of which shall consist of two or more directors and may also include members who are not on the Board of Directors, to serve at the pleasure of the Board. The Board may designate one or more alternate members of any committee, who may replace any absent member at any meeting of the committee. The appointment of members or alternate members of a committee requires the vote of a majority of the directors then in office, provided that a quorum is present. Any committee that includes voting members who are not on the Board of Directors may not be delegated to the authority or power of the Board of Directors. Any committee whose voting members consist only of directors, to the extent of the powers specifically delegated in the resolution of the Board of Directors or these Bylaws, may have all or a portion of the authority of the Board of Directors, except that no committee, regardless of Board resolution, may:

(a) Approve any action that, under the California Nonprofit Corporation Law, also requires the affirmative vote of the members of a public benefit corporation.

(b) Fill vacancies on the Board of Directors or in any committee that has the authority of the Board.

(c) Fix compensation of the directors for serving on the Board or on any committee.

(d) Amend or repeal the Articles of Incorporation or Bylaws or adopt new Bylaws.

(e) Amend repeal any resolution of the Board of Directors that by its express terms is not so amendable or repealable.

(f) Appoint any other committees of the Board of Directors or the members of such committees.

(g) Approve a plan or merger; consolidation; voluntary dissolution; bankruptcy or reorganization; or for the sale, lease, or exchange all or substantially all of the property and assets of the corporation otherwise than in the usual and regular course or its business; or revoke any such plan.

(h) Approve any transaction between the corporation and one or more of its directors in which the director or directors have a material financial interest, except as provided by Section 5233 or the California Corporations Code.

(i) Bind the corporation in a contract or agreement exceeding the amount of $10,000.

Section 7.2 Meetings and Actions of Committees. Meetings and actions or all committees shall be governed by, held, and taken in accordance with, the provisions or Article 6 or these Bylaws, concerning meetings and actions of directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board of Directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board of Directors may adopt rules not inconsistent with the provisions of these Bylaws for the government of any committee.

Section 7.3 Executive Committee. Pursuant to Section 7.1, the board may appoint three (3) or more directors, one of whom shall be the Chairperson of the Board, to serve as the Executive Committee of the board. The Executive Committee, unless limited in a resolution of the board, shall have and may exercise all the authority of the Board in the management of the business and affairs of the corporation between meetings of the board; provided, however, that the Executive Committee shall not have the authority of the board in reference to those matters enumerated in Section 7.1. The Secretary of the Corporation shall send to each a summary report of the business conducted at any meeting of the Executive Committee.

## ARTICLE 8.
## OFFICERS

Section 8.1 Officers. The Officers of the corporation shall consist of the Chairperson of the Board, Vice Chairperson of the Board, Executive Director, the Secretary, and the Treasurer, and each of them shall be appointed by the Board of Directors. The Chairperson and Vice-Chairperson shall be directors; other officers may, but need not, be directors. The Board of Directors shall designate one officer as the chief financial officer of the corporation. In the absence of such designation, the Treasurer shall be the chief financial officer. Any two or more offices may be held by the same person, except that neither the Secretary nor the chief financial officer may serve concurrently as either the Executive Director or the Chairperson of the Board. The Board of Directors may appoint, and may empower the Chairperson of the Board, the Executive Director or another officer to appoint, such other officers as the activities of the corporation may require, each of whom shall have such authority and perform such duties as are provided in these Bylaws or as the Board of Directors may from time to time determine.

All officers of the corporation shall hold office from the date appointed to the date of the succeeding annual meeting of the Board of Directors, and until the successors to such officers are elected and qualified; provided that all officers, as well as any other employee or agent of the corporation, may, subject to any claim for breach of contract based on any contractual arrangements between any such person and the corporation, be removed at any time at the pleasure of the Board of Directors, or, except in the case of an officer chosen by the Board of Directors, by any officers upon whom such power of removal may be conferred by the Board of Directors, and upon the removal, resignation, death, or incapacity of any officer, the Board of Directors, the Chairperson of the Board, the Executive Director or other officer has been vested by the Board of Directors with power to appoint, may declare such office vacant and fill such vacancy.

Any officer may resign at any time by giving written notice to the Board of Directors, the Chairperson of the Board, the Executive Director, or the Secretary of the corporation, without prejudice, however, to the rights, if any, of the corporation under any contract to which such officer is a party. Any resignation shall take effect on the date of the receipt of such notice or at any later time specified in the resignation; and, unless otherwise specified in the resignation, the acceptance of the resignation shall not be necessary to make it effective.

The salary and other compensation of the officers shall be fixed from time to time by resolution of or in the manner determined by the Board of Directors.

Section 8.2 Duties of the Chairperson of the Board. The Chairperson of the Board shall, when present, preside at all meetings of the Board of Directors and Executive Committee and shall perform all the duties commonly incident to that office. The Chairperson of the Board shall have authority to execute in the name of the corporation all bonds, contracts, deeds, leases, and other written instruments to be executed by the corporation (except when by law the signature of the Executive Direct is required), and shall perform such other duties as the Board of Directors may from time to time determine.

Section 8.3 Duties of the Vice-Chairperson of the Board. The Vice-Chairperson of the Board shall possess the powers and discharge the duties of the Chairperson in the latter's absence or disability.

Section 8.4 Duties of the Executive Director. The Executive Director shall function as the General Manager and Chief Executive Officer of the corporation, and .shall manage the corporation in administering the conduct of its business. Where appropriate, the Board of Directors shall place the Executive Director under a contract of employment. The Executive Director shall be responsible to and governed by the Board of Directors, shall report to and advise the board on all significant matters of the corporation's business and shall see that all orders and resolution of the board are carried into effect. The Executive Director shall be empowered to act, speak for or otherwise represent the corporation between meetings of the board within the boundaries of policies and purposes established by the board and as set forth in the Articles or Incorporation and Bylaws. The Executive Director shall be responsible for the hiring and firing of all personnel other than officers elected by the board, and shall be responsible for keeping the board informed at all times of staff performance as related to program objectives, and for implementing any personnel policies adopted by the board. The Executive Director is authorized to contract, receive, deposit, disburse and account for funds of the corporation in fulfillment of the corporation's objectives; to execute in the name of the corporation all bonds, contracts, deeds, leases, and other written instruments to be executed by the corporation; and to negotiate all material business transaction or the corporation.

Section 8.5 Duties of the Secretary and Assistant Secretaries. The Secretary shall record or cause to be recorded, and shall keep or cause to be kept, at the principal executive office and such other place as the Board of Directors may order, a book of minutes or actions taken at all meetings of directors and committees, with the time and place or holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings, and the proceedings of such meetings.

The Secretary shall give, or cause to be given, notice of all the meetings of the Board of Directors and of the committees of this corporation required by these Bylaws or by law to be given, shall keep the seal or the corporation (if any) in safe custody, and shall have such other powers and perform such other duties as may be prescribed. by the Board of Directors or by these Bylaws.

Section 8.6 Duties of the Treasuer and Assistant Treasurers. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transaction of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The Treasurer shall arrange for an annual audit of the corporation's financial accounts by an independent Certified Public Accountant.

The Treasurer shall deposit or cause to be deposited all moneys and other valuables in the name and to the credit of the corporation with such depositories as may :be designated by the Board of Directors. The Treasurer shall disburse or cause to be disbursed the funds of the corporation as may be ordered by the Board of Directors, shall render to the Executive Director

and directors, whenever they request it, and account of all of the Treasurer's transactions as Treasurer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

If required by the Board or Directors, the Treasurer shall give the corporation a bond in the amount and with the surety or sureties specified by the board for faithful performance of the duties of the Treasurer's office and for restoration to the corporation of all its books, papers, .vouchers, money and other property of every kind in the Treasurer's possession or under the Treasurer's control on the Treasurer's death, resignation, retirement, or removal from office. The corporation shall pay the cost of such bond.

## ARTICLE 9.
## INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS OF THE CORPORATION; PURCHASE OF LIABILITY INSURANCE

(a) For the purpose of this article, "agent" means any person who is or was a director, officer, employee, or other agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a director, officer, employee, or agent of a foreign or domestic corporation that was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending, or completed action or proceeding whether civil, criminal, administrative, or investigative; and "expenses" include without limitation attorneys' fees any expenses of establishing a right to indemnification under paragraph (d) or paragraph (e)(2) of this article.

(b) The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the corporation to procure a judgment in its favor, an action brought under Section 5233 of the California Corporations Code, or an action brought by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an agent of the corporation, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment; order, settlement or conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

(c) The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the corporation to procure a judgment in its favor, or brought under Section 5233, or brought by the Attorney General for breach of duty relating to assets held in charitable trust, by reason of the fact that such person is or was an agent of the corporation, against expenses actually and

reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in alike position would use under similar circumstances. No indemnification shall be made under this paragraph (c):

(i) In respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable to the corporation in the performance of such person's duty to the corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

(ii) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

(iii) Of expenses incurred in defending a threatened or pending action that is settled or otherwise disposed of without court approval unless it is settled with the approval of the Attorney General.

(d) To the extent that an agent of the corporation has been successful on the merits in defense of any proceeding referred to in paragraph (b) or (c) or in defense of any claim, issue, or matter in the proceeding, the agent shall be indemnified against expense actually and reasonably incurred by the agent in connection with the proceeding.

(e) Except as provided in paragraph (d), any indemnification under this article shall be made by the corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in paragraph (b) or (c), by:

(i) A majority vote of a quorum consisting of directors who are not parties to such proceeding; or

(ii) The court in which such proceeding is or was pending upon application made by the corporation, the agent, or the attorney or other person rendering service sin connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by the corporation.

(f) Expenses incurred in defending any proceeding may be advanced by the corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that he agent is entitled to be indemnified as authorized in this article.

(g) Nothing contained in this article shall affect any right to indemnification to which persons other than directors and officers of the corporation or any subsidiary of the corporation may be entitled by contract or otherwise.

(h) No indemnification or advance shall be made under this article, except as provided in paragraph (d) or paragraph (e) (2), in any circumstance where it appears:

(i) That it would be inconsistent with a provision of the Articles of Incorporation, a resolution of the Board of Directors or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(ii) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

(i) The corporation shall have power to purchase and maintain insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of this article; provided, however, that the corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the corporation for a violation of Section 5233.

(j) This article does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in such person's capacity as much, even though such person may also be an agent of the corporation as defined in paragraph (a). The corporation shall have the power to indemnify such trustee, investment manager, or other fiduciary to the extent permitted by subdivision (f) of Section 207 of the California Corporations Code.

## ARTICLE 10.
## EXECUTION OF CORPORATE INSTRUMENTS, AND VOTING OF STOCKS AND MEMBERSHIPS HELD BY THE CORPORATION

Section 10.1 Execution of Corporate Instruments. The Board of Directors may, in its discretion, determine the method and designate the signatory officer or officers or other person or persons, to execute any corporate instrument or document, or to sign the corporate name without limitation, except when otherwise provided by law, and such execution or signature shall be binding upon the corporation.

Unless otherwise specifically determined by the Board of Directors or otherwise required by law, formal contracts of the corporation, promissory notes, deeds of trust, mortgages, and other evidences of indebtedness of the corporation, and other corporate instruments or documents, and certificates of shares of stock owned by the corporation, shall be executed, signed, or endorsed by the Chairperson of the Board, Vice-Chairperson of the Board or the Executive Director and by the Secretary or Treasurer or any Assistant Secretary or Assistant Treasurer.

All checks and drafts drawn on banks or other depositories on funds to the credit of the corporation, or in special accounts of the corporation, shall be signed by such person or persons as the Board of Directors shall authorize to do so.

Section 10.2 Voting Stocks Owned by Corporation. All stock or other corporations or memberships in other corporations owned or held by the corporation for itself, or for other parties in any capacity, shall be voted, and all proxies with respect to such stock or memberships shall be executed, by the person authorized to do so by resolution of the Board of Directors, or in the absence of such authorization, by the Chairperson of the Board, the Vice-Chairperson of the Board, the Executive Director, or by any other person authorized to do so by the Chairperson of the Board or the Executive Director.

## ARTICLE 11.
## ANNUAL REPORT TO DIRECTORS

The corporation shall provide to the directors no later than 120 days after the close of its fiscal year, a report containing the following information in appropriate detail:

(a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year.

(b) The principal changes in assets and liabilities, including trust funds, during the fiscal year.

(c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year.

(d) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year.

(e) Any information required by Section 6322 of the California Corporations Code concerning certain self-dealing transactions involving more than $50,000 or indemnification's involving more than $10,000 which took place during the fiscal year.

The report shall be accompanied by any pertinent report of independent accountants, or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

## ARTICLE 12.
## MAINTENANCE AND INSPECTION OF CORPORATE RECORDS

Section 12.1 Maintenance and Inspection of Articles and Bylaws. The corporation shall keep at its principal office, or if its principal executive officer is not in the State of California, at its principal business office in California, the original or a copy of its Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the directors at all reasonable times during office hours. If the principal executive office of the corporation is outside the State of California, the Secretary shall, on the written request of any director, furnish to that director a copy of the Articles of Incorporation and Bylaws as amended to date.

Section 12.2 Maintenance and Inspection of Other Corporate Records. The accounting books, records, and minutes of proceedings of the Board of Directors and any committees of the corporation shall be kept at such place or places designated by the Board of Directors, or, in the absence of such designation, at the principal executive office of the corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed, or printed form. Upon leaving office, each officer, employee, or agent of the corporation shall turn over to his or her successor or the Executive Director, in good order, such corporate monies, books, records, minutes, lists, documents, contracts or other property of the corporation as have been in custody of such officer, employee, or agent during his or her term of office.

Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation and each of its subsidiary corporations. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts of documents.

## ARTICLE 13.
## CONTRACTS AND LOANS WITH DIRECTORS AND OFFICERS

Section 13.1 Contracts or Transactions with Directors and Officers. The corporation shall not be a party to any contract or transaction:

(a) In which one or more of its directors or officers has a material financial interest;

(b) With any corporation, firm, association, or other entity in which one or more of its directors or officers has a material financial interest; or

(c) With any corporation, firm, association, or other entity (other than a California Nonprofit Public Benefit Corporation) in which one or more of its directors is a director, unless:

(i) The material facts concerning the contract or transaction and such director's or officer's financial interest or common directorship are fully disclosed in good faith and are noted in the minutes, or are known to all members of the board prior to consideration by the board of such contract or transaction;

(ii) Such contract or transaction is authorized or approved in good faith by a majority of the board by a vote sufficient for that purpose without counting the vote of such interested directors or officers;

(iii) Prior to authorizing or approving the contract or transaction, the board considers and in good faith determines after reasonable investigation under the circumstances that the corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances or that the contract or transaction implements a charitable program of this corporation;

(iv) This corporation enters into the contract or transaction for its own benefit; and

(v) The contract or transaction is fair and reasonable to this corporation or implements a charitable program of the corporation at the time the contract or transaction is entered into.

A director or office of this corporation shall not be deemed to have a "material financial interest" in a contract or transaction that implements a charitable program of this corporation solely because such a contract or transaction results in a benefit to a director or officer or their families by virtue of their membership in the class of persons intended to be benefited by the charitable program of this corporation, as long as the contract or transaction is approved or authorized by the corporation in good faith and without unjustified favoritism.

Section 13.2 Loans to Directors and Officers. The corporation shall not make any loan of money or property to or guarantee the obligation of any director or officer, unless approved by the Attorney General of the State of California; provided, however, that the corporation may advance money to a director or officer of the corporation for expenses reasonably anticipated to be incurred in the performance of the duties of such director or officer, provided that in the absence of such advance, such director or officer would be entitled to be reimbursed for such expenses by the corporation. Directors of the corporation who approve the making of any such loan or guaranty shall be jointly and severally liable to the corporation for any loss suffered by the corporation as a result of the loan or guaranty.

Section 13.3 Mutual Directors. No contract or other transaction between the corporation and any California Nonprofit Public Benefit Corporation of which one or more of its directors are directors of this corporation is either void or voidable because such director(s) are present at a meeting of the board which authorizes, approves, or ratifies the contract or transaction if the material facts as to the transaction and as such director's other directorship are fully disclosed or known to the board and the board authorizes, approves, or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common director(s), or if the contract or transaction is just and reasonable as to the corporation at the time it is authorized, approved or ratified.

## ARTICLE 14.
## FISCAL YEAR

The fiscal year of the corporation shall run from January through December of each year.

## ARTICLE 15.
## CONSTRUCTION AND DEFINITIONS

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the California Nonprofit Corporation Law as amended from time to time shall govern the construction of these Bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural

and the plural number includes the singular, and the term "person" includes a corporation as well as a natural person. If any competent court of law shall deem any portion of these Bylaws invalid or inoperative, then so far as is reasonable and possible:

(a) The remainder of these Bylaws shall be considered valid and operative; and

(b) Effect shall be given to the intent manifested by the portion deemed invalid or inoperative.

## ARTICLE 16.
## AMENDMENTS

These Bylaws may be adopted, amended or repealed by the vote of a majority of the directors present at a meeting duly held at which a quorum is present. Such action is authorized only at a duly called and held meeting of the Board of Directors for which written notice of such meeting, setting forth the proposed Bylaw revisions and explanations therefore, is given in accordance with these Bylaws, unless such notice is waived in accordance with these Bylaws.

## CERTIFICATE

I, the undersigned, certify that I am the currently elected and acting Secretary of the Community Housing Development Corporation of North Richmond, a California Nonprofit Public Benefit Corporation, and the above Bylaws, consisting of 17 pages, are the Bylaws of this corporation as adopted at a meeting of the Board of Directors held on March 8, 2005.

Dated: March 8, 2005

Executed at Richmond, California.

Secretary: Jesse Slocum

# COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND

## AUDITED FINANCIAL STATEMENTS

## DECEMBER 31, 2020

GRANT & SMITH, LLP
*Certified Public Accountants*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**

**AUDITED FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

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GRANT & SMITH, LLP
*Certified Public Accountants*

# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of Community Housing Development Corporation of North Richmond (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Housing Development Corporation of North Richmond as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2021, on our consideration of Community Housing Development Corporation of North Richmond's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Housing Development Corporation of North Richmond's internal control over financial reporting and compliance.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### Report on Summarized Comparative Information

We have previously audited Community Housing Development Corporation of North Richmond's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 16, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Grant & Smith, LLP

Oakland, California
June 29, 2021

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FINANCIAL POSITION**
**AS OF DECEMBER 31, 2020**
**(With Summarized Totals for 2019)**

**ASSETS**

| | 2020 | 2019 |
|---|---|---|
| **Current Assets** | | |
| Cash & Cash Equivalents | $ 15,895,492 | $ 5,478,374 |
| Accounts Receivable | 197,243 | 142,920 |
| Due from Affiliates | 3,696,370 | 4,749,478 |
| Deposits & Other Assets | 4,000 | 4,000 |
| Prepaid Expenses | 19,346 | 22,447 |
| Total Current Assets | 19,812,451 | 10,397,219 |
| **Non Current Assets** | | |
| Notes Receivable | 10,147,148 | 10,323,779 |
| Investment in Affiliates | 236,762 | 236,762 |
| **Fixed Assets** | | |
| Property & Equipment, Net | 711,164 | 778,846 |
| Land/Property Held for Development | 2,743,855 | 3,736,635 |
| Construction in Progress/Predevelopment Costs | 5,290,570 | 5,328,634 |
| Financing Costs Less Amortization | 1,340 | 1,521 |
| Total Fixed Assets | 8,746,929 | 9,845,636 |
| Total Non Current Assets | 19,130,839 | 20,406,177 |
| **Total Assets** | $ 38,943,290 | $ 30,803,396 |

**LIABILITIES & NET ASSETS**

| | | |
|---|---|---|
| **Current Liabilities** | | |
| Accounts Payable | $ 102,838 | $ 132,287 |
| Salaries Payable | 53,999 | 35,717 |
| Accrued Expenses | 134,045 | 93,623 |
| Accrued Vacation | 124,670 | 57,823 |
| Deferred Program Revenue | 915,569 | 15,119 |
| Security Deposits | 1,000 | 1,000 |
| Notes Payable, Current Portion | 581,625 | 264,168 |
| Total Current Liabilities | 1,913,746 | 599,737 |
| **Long Term Liabilities** | | |
| Notes Payable | 5,414,128 | 5,544,696 |
| Less Notes Payable, Current Portion | (581,625) | (264,168) |
| PPP Loan | 349,760 | |
| Recoverable Grant | 14,223,450 | 8,591,791 |
| Accrued Interest Payable | 705,089 | 840,660 |
| Total Long Term Liabilities | 20,110,802 | 14,712,979 |
| Total Liabilities | 22,024,548 | 15,312,716 |
| **Net Assets** | | |
| Without Donor Restrictions | 12,895,386 | 9,649,237 |
| With Donor Restrictions | 4,023,356 | 5,841,443 |
| Total Net Assets | 16,918,742 | 15,490,680 |
| **Total Liabilities & Net Assets** | $ 38,943,290 | $ 30,803,396 |

*See accompanying notes.*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF ACTIVITIES**
**FOR THE YEAR ENDED DECEMBER 31, 2020**
**(With Summarized Totals for 2019)**

| | 2020 | | | 2019 |
|---|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total All Funds | Total All Funds |
| **Support & Revenue** | | | | |
| **Support** | | | | |
| Grants & Donations | $ 461,704 | | $ 461,704 | $ 404,170 |
| Contributions | 7,085 | | 7,085 | 26,897 |
| Total Support | 468,789 | | 468,789 | 431,067 |
| **Revenue** | | | | |
| Government Contracts | 2,581,439 | | 2,581,439 | 1,760,839 |
| Management Fees | 718,078 | | 718,078 | 199,358 |
| Developer Fees | 979,169 | | 979,169 | 3,268,750 |
| Property Sale Proceeds | 1,208,215 | | 1,208,215 | 336,000 |
| Rental Revenue | 44,366 | | 44,366 | 58,505 |
| Interest Income | 75,530 | | 75,530 | 57,266 |
| Other Income | 17,772 | | 17,772 | 34,068 |
| Net Assets Released from Restriction | 1,818,087 | (1,818,087) | | |
| Total Revenue | 7,442,656 | (1,818,087) | 5,624,569 | 5,714,786 |
| **Total Support & Revenue** | 7,911,445 | (1,818,087) | 6,093,358 | 6,145,853 |
| **Operating Expenses** | | | | |
| Affordable Housing Program | 3,336,164 | | 3,336,164 | 2,124,794 |
| Management & General | 1,329,132 | | 1,329,132 | 1,020,361 |
| **Total Expenses** | 4,665,296 | | 4,665,296 | 3,145,155 |
| **Changes in Net Assets** | 3,246,149 | (1,818,087) | 1,428,062 | 3,000,698 |
| **Net Assets, Beginning of the Year** | 9,649,237 | 5,841,443 | 15,490,680 | 12,489,982 |
| **Prior Year Adjustment** | | | | |
| **Net Assets, End of the Year** | $ 12,895,386 | $ 4,023,356 | $ 16,918,742 | $ 15,490,680 |

*See accompanying notes.*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FUNCTIONAL EXPENSES**
**FOR THE YEAR ENDED DECEMBER 31, 2020**
**(With Summarized Totals for 2019)**

| | 2020 | | | |
|---|---|---|---|---|
| | Affordable Housing Program | Management & General | Total | 2019 Total |
| **Expenses** | | | | |
| Salaries & Wages | $ 1,353,284 | $ 742,035 | $ 2,095,319 | $ 1,653,558 |
| Payroll Taxes | 93,362 | 51,193 | 144,555 | 124,520 |
| Employee Benefits | 101,104 | 55,438 | 156,542 | 242,681 |
| Professional Services | 54,791 | 30,043 | 84,834 | 154,199 |
| Rent | 20,123 | 11,034 | 31,157 | 32,393 |
| Utilities | 13,286 | 7,285 | 20,571 | 21,950 |
| Dues & Subscriptions | 6,803 | 3,730 | 10,533 | 20,199 |
| Conference & Training | 1,553 | 852 | 2,405 | 26,266 |
| Travel & Meals | 10,946 | 6,002 | 16,948 | 44,027 |
| Office Expenses | 13,759 | 7,544 | 21,303 | 16,272 |
| Postage | 1,786 | 979 | 2,765 | 6,251 |
| Telephone | 25,468 | 13,965 | 39,433 | 33,023 |
| Insurance | 8,875 | 4,866 | 13,741 | 15,066 |
| Equipment, Maintenance & Repairs | 14,825 | 8,129 | 22,954 | 28,384 |
| Contract Service | 16,638 | 9,123 | 25,761 | 24,897 |
| Rental Property Expenses | 1,237,144 | | 1,237,144 | 230,165 |
| Supportive Services | 296,932 | 162,814 | 459,746 | 319,261 |
| Board Expenses | 8,145 | | 8,145 | 7,672 |
| Depreciation | | 99,734 | 99,734 | 31,963 |
| Amortization | | 181 | 181 | 181 |
| Interest Expenses | | 114,185 | 114,185 | 79,139 |
| Other Expenses | 57,340 | | 57,340 | 33,088 |
| **Total Expenses** | $ 3,336,164 | $ 1,329,132 | $ 4,665,296 | $ 3,145,155 |

*See accompanying notes*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED DECEMBER 31, 2020**
**(With Summarized Totals for 2019)**

| | 2020 | 2019 |
|---|---|---|
| **Cash Flows From Operating Activities:** | | |
| Changes in Net Assets | $ 1,428,062 | $ 3,000,698 |
| Adjustments to Reconcile Net Assets to Net Cash Provided (Used) by Operating Activities: | | |
| Depreciation & Amortization | 99,915 | 32,144 |
| *(Increases)/Decreases in Operating Assets* | | |
| Accounts Receivable | (54,323) | (19,790) |
| Notes Receivable | 176,631 | 97,631 |
| Deposits | | (2,000) |
| Prepaid Expenses | 3,101 | (8,345) |
| *Increases/(Decreases) in Liabilities* | | |
| Accounts Payable | (29,449) | (144,154) |
| Salaries Payable | 18,282 | 8,782 |
| Accrued Payables | 40,422 | 44,846 |
| Accrued Vacation | 66,847 | 8,477 |
| Accrued Interest | (135,571) | 85,178 |
| Recoverable Grants | 5,631,659 | (91,141) |
| Due from Affiliate | 1,053,108 | (2,771,285) |
| Deferred Program Revenue | 900,450 | (34,330) |
| Total Adjustment | 7,771,072 | (2,793,987) |
| Net Cash Provided (Used) by Operating Activities | 9,199,134 | 206,711 |
| **Cash Flows From Investing Activities:** | | |
| Purchases of Fixed Assets (Net) | (32,052) | (299,992) |
| Land Held for Development | 992,780 | (974,828) |
| Construction In Progress/Predevelopment Costs | 38,064 | 443,400 |
| Net Cash Provided (Used) by Investing Activities | 998,792 | (831,420) |
| **Cash Flows From Financing Activities:** | | |
| Proceeds/(Repayment) from Issuance of Notes Payable | 219,192 | 1,779,788 |
| Net Cash Provided (Used) by Financing Activities | 219,192 | 1,779,788 |
| Net Increase (Decrease) in Cash | 10,417,118 | 1,155,079 |
| **Cash at the Beginning of the Year** | 5,478,374 | 4,323,295 |
| **Cash at the End of the Year** | $ 15,895,492 | $ 5,478,374 |
| Supplemental disclosure of cash flow information: | | |
| Cash paid for: | | |
| Interest Expenses | $ 114,185 | $ 79,139 |
| Taxes | $ | $ |

*See accompanying notes.*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**NOTES TO FINANCIAL STATEMENTS**
**DECEMBER 31, 2020**

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### General

Community Housing Development Corporation of North Richmond (CHDC) (the Organization), (a nonprofit organization), was formed to promote the general welfare and economic development of low-income groups in Contra Costa, Alameda, Solano, San Francisco, Santa Cruz and Santa Clara Counties. CHDC accomplishes its objectives by constructing, rehabilitating, and providing decent, safe and sanitary housing for persons and families of low income who are in need of a suitable place to live.

### Basis of Accounting

The Organization's books are maintained, and the financial statements have been prepared, on the accrual basis of accounting, except developer fees and grants from foundations, which are recorded on the cash basis, when received.

### Financial Statement Presentation

As required, the accompanying financial statements have been prepared to focus on the Organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by the classification of net assets and transactions into the following classes of assets:

*Net Assets without Donor Restrictions* - Net assets not subject to donor-imposed stipulations.

*Net Assets with Donor Restrictions* - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time, or be maintained permanently by the Organization

The Organization uses net assets with donor restrictions in accordance with donor-imposed restrictions to support specific programs and associated administrative functions. Net assets without donor restrictions are used to support general programs and associated general and administrative functions.

### Contributions

Generally accepted accounting principles require the Organization to report information about its financial position and activities in two classes of net assets: without donor restrictions and with donor restrictions. Unrestricted contributions are recognized as an increase in net assets without donor restrictions when received. Donor restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the donor-imposed restriction. When restrictions are satisfied, either by the passage of time or by accomplishing the purpose, the net assets with donor restrictions are released are reclassified to net assets without donor restrictions and reported in the activity statement as net assets released from restrictions.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions (Continued)

When restrictions are satisfied in the same accounting period that the contribution is received, both the revenue and the related expense are reported in the net asset without donor restrictions class.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with maturity within three months or less to be cash equivalents.

Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, based on management estimates certain costs have been allocated among the programs and supporting services benefited.

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. The Organization capitalizes all significant additions and improvements in excess of $500. Property and equipment are being depreciated using the straight-line half-year convention over the estimated useful life of the asset, 30 years for building, 15-30 years for leasehold improvements and 3-5 years for furniture, office equipment and vehicles.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation is removed from the accounts and any resulting gain or loss is recognized in income for the period.

The cost of maintenance and repairs, which neither materially add to the value of the property, nor appreciably prolong its life are recorded as expenses as incurred.

For the fiscal year ending December 31, 2020 the organization incurred $99,734 in depreciation expense.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financing Costs

Financing costs associated with acquiring a long-term notes payable are being amortized on a straight-line basis over the life of the note, 30 years. Amortization expense for December 31, 2020 was $181 .

Construction in Progress/ Predevelopment Costs

The Organization capitalizes all significant costs associated with designing, developing, and constructing its various low-income housing projects. Proceeds from the sale of constructed units are either recognized as revenue or are returned to grantors, if grant funds were used during the development of the project. Capitalized costs relative to projects which are later deemed to be infeasible are expensed in the year the project is abandoned.

Income Taxes

The Organization is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code Section 23701 (d) of the California Revenue and Taxation Code. GAAP provides accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Organization's returns for years 2018 through 2020 are subject to examination by federal and state taxing authorities, generally for three years after they are filed.

Fair Value of Financial Instruments

The carrying amounts of cash, cash equivalents, accounts receivable and other assets approximate fair values due to the short-term maturities of these assets.

Accounts Receivable

Accounts Receivable consist of amounts due from funding sources, as described in Note 3, and are considered by management to be fully collectible.

Comparative Information

The financial statements include certain summarized comparative information from the prior year. This information is presented in total and not by net asset class and does not include sufficient detail to be in conformity with generally accepted accounting principles. Such information should be read together with the Organization's financial statements for the year ended December 31, 2019 from which the summarized information was extracted. Certain amounts in the prior year financial statements have been reclassified for comparison purposes to conform for the current year presentation.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Recently Issued Accounting Pronouncements

In February 2016, the FASB issued an accounting pronouncement (FASB ASU 2016-02) related to the accounting for leases. This pronouncement requires lessees to record most leases on their balance sheet, while expense recognition on the income statement remains similar to current lease accounting guidance. The guidance also eliminates real estate- specific provisions and modifies certain aspects of lessor accounting. Under the new guidance, lease classification as either a finance lease or an operating lease will determine how lease-related revenue and expense are recognized. Lessees (for capital and operating leases) and lessors (for sales-type, direct financing, and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. Lessees and lessors may not apply a full retrospective transition approach. Nonpublic business entities should apply the amendments for fiscal years beginning after December 15, 2019 (i.e., January 1, 2020, for a calendar year entity), and interim periods within fiscal years beginning after December 15, 2020. Early application is permitted. ASU 2016-02 has currently no effect on the Organization's financials.

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606), which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The ASU will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The standard permits the use of either the retrospective or cumulative effect transition method. In August 2015, the FASB issued ASU No. 2015-14, Revenue from Contracts with Customers (Topic 606), which deferred the effective date of the new revenue recognition standard for one year. Then in June 2020 FASB issued ASU 2020-05, which deferred the effective date of ASU 20014-09 & 2016-14 for another year.
The new standard is effective for the Organization July 1, 2020. The Organization is evaluating the effect that ASU 2014-09 will have on its financial statements and related disclosures.

## NOTE 2 - CASH AND CASH EQUIVALENTS

At December 31, 2020, cash and cash equivalents consisted of:

| | | |
|---|---|---|
| Cash – Unrestricted | $ | 6,667,139 |
| Cash – Restricted | | 9,228,353 |
| Total | $ | 15,895,492 |

At year ended December 31, 2020, the Organization cash balances exceeded the deposit insurance covered by the Federal Deposit Insurance Corporation (FDIC). Bank of the West and CitiBank were over by $4,105,936 and 5,656,971 respectively. Wells Fargo Bank was over by $119,966, Torrey Pines was also over by $3,222,753. California Bank and Trust was over by $820,218. First Utah Bank was in excess of $363,078.

## NOTE 3 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures without donor restrictions or other restrictions limiting their use, within one year of December 31, 2020 are:

| | |
|---|---|
| Financial Assets | |
| Cash – Unrestricted | $ 6,667,139 |
| Accounts Receivable | 197,243 |
| Due from Affiliates | 3,696,370 |
| Amount Available for general expenditures | $ 10,560,752 |

The organization has policies to structure its financial assets to be available for general expenditures, liabilities, and other obligations come due. The organization policy is to maintain a cash-on-hand balance at a minimum of $2 million. This balance is maintained through collection of development fees the organization collections from projects. At the year ended December 31, 2020, the organization has cash for general expenditures to maintain expenses the organization will incur for over a year. The organization invests excess cash in savings accounts.

## NOTE 4 - ACCOUNTS RECEIVABLE

At December 31, 2020, accounts receivable consisted of:

| | |
|---|---|
| Federal Contracts | $ 89,534 |
| Other | 107,709 |
| Total | $ 197,243 |

## NOTE 5 - NOTES RECEIVABLE

Notes receivable consists of loans from the CalHome Program and NeighborhoodLIFT. The CalHome Program enables assistance for first-time homebuyer down payment. The program assists individual households through deferred payment loans. As of December 31, 2020, the outstanding balance was $1,687,148.

The Neighborhood LIFT program provides down payment assistance. As of December 31, 2020, the outstanding balance was $8,460,000.

## NOTE 6 – INVESTMENT IN AFFILIATES

At December 31, 2020, the Organization recorded an investment in Community First Lending of $236,762 reclassified from Due from Community First Lending account balance in 2014.

## NOTE 7 - PROPERTY AND EQUIPMENT

At December 31, 2020, property and equipment were as follows:

| | | |
|---|---|---|
| Land | $ | 146,441 |
| Building | | 725,274 |
| Equipment & Furniture | | 242,346 |
| Leasehold Improvements | | 106,932 |
| Total Fixed Assets | | 1,220,993 |
| Less Accumulated Depreciation | | (509,829) |
| Net Property & Equipment | $ | 711,164 |

## NOTE 8 – LAND/PROPERTY HELD FOR DEVELOPMENT

At December 31, 2020, land/property held for development was as follows:

| | | |
|---|---|---|
| Land (Acquired for Development) | $ | 2,324,711 |
| Property (Acquired for Development) | | 419,144 |
| Total | $ | 2,743,855 |

## NOTE 9 - CONSTRUCTION IN PROGRESS/PREDEVELOPMENT COSTS

At December 31, 2020, The Organization had accumulated capitalized costs of $5,290,570 representing costs relative to acquiring, designing and constructing low income housing units. Proceeds from the sale of constructed units are either recognized as revenue or returned to grantors, if recoverable grant funds were used to fund acquisition and/or construction or for the repayment of loans if loans proceeds were used.

## NOTE 10 - NOTES PAYABLE

At December 31, 2020, the Organization was obligated on the following notes:

| Creditor | Notes Detail | | Outstanding Balance |
|---|---|---|---|
| City of Richmond as Successor Agency to Redevelopment Agency | Note payable for 1448-52 Filbert Street, Richmond, CA. 0% annual interest rate, payable upon sale of the securing property or the occurrence of an event of default, secured by deed of trust. | $ | 195,078 |
| City of Richmond as Successor Agency to Redevelopment Agency | Two (2) notes for various projects, interest accrues at 3% simple interest per annum, principal and deferred interest payable at maturity, October 2056, secured by deed of trust. | $ | 118,283 |

| | | | |
|---|---|---|---|
| S.H. Cowell Foundation | Notes payable for a principal sum of $1,000,000 for 1243-1255 Filbert Street, 1234 Filbert Street and 1267 Willard Avenue, interest rate accrues at 2.5% per annum. The note is secured by a deed of trust, maturing October 31, 2022. | $ | 1,000,000 |
| City of Richmond | Note payable to finance predevelopment of 1267 Filbert Street. The note bears interest rate of 3% and is due September 30, 2065. | $ | 1,099,593 |
| Contra Costa County as Successor Agency to Redevelopment Agency | Note Payable to finance the acquisition and rehabilitation of 1722-24 Fred Jackson Way. The note bears 0% interest rate. The note is secured by Deed of Trust and matures on December 31, 2019. Loan is currently in default. | $ | 214,178 |
| City of Oakland | Note payable for 1904 Adeline Street, interest payable at 3.0% per annum, maturing on February 7,2020. Loan is currently in default. | $ | 50,000 |
| City of Vallejo | Note Payable for 720-726 & 759 Sonoma Estates, interest payable at 3% per annum, maturing May 22, 2024. | $ | 419,549 |
| Local Initiatives Supportives Corp (LISC) | Three notes (3) for Friendship Senior Housing 1904 Adeline St. Oakland CA. Interest accrues at various rate%. The loan is secured by a first priority security interest and lien upon the real estate located at 1904 Adeline Street. Notes are due November 14, 2021. | $ | 317,447 |
| NeighborWorks Salt Lake/AHMI Fund, LLC | Note payable – Capital loan fund, interest payable at 5.5% per annum, maturing 04/15/2024 | $ | 2,000,000 |
| Total Notes Payable | | $ | 5,414,128 |

NOTE 10 - NOTES PAYABLE (Continued)

The future annual maturities of long-term debts are as followed:

| | | |
|---|---|---|
| 2021 | $ | 581,625 |
| 2022 | | 1,000,000 |
| 2023 | | |
| 2024 | | 2,419,549 |
| 2025 | | |
| Thereafter | | 1,412,954 |
| Total | $ | 5,414,128 |

NOTE 11 – PAYCHECK PROTECTION PROGRAM LOAN

On April 29, 2020, the Organization received loan proceeds in the amount of $349,760 under Paycheck Protection Program ("PPP"). The PPP, establish as part of the Corona Virus Aid, Relief and Economic Security Act ("CARES Act"), Provides for loans to qualifying businesses. The loan is guaranteed by the Small Business Association. The loan qualifies for 100% forgiveness if certain criteria are met. The loan has an interest rate of 1% maturing in 2 years from the date of initial disbursement.

NOTE 12 – NET ASSETS WITH DONOR RESTRICTION

At December 31, 2020, net assets with donor restrictions are as follow

| | | |
|---|---|---|
| CalHOME | $ | 2,311,449 |
| Neighborworks Salt Lake | | 1,142,173 |
| Barrett Plaza | | 1,018 |
| Ways to Work Program - Reserve | | 323,029 |
| LIFT Program | | 88,189 |
| AFI Program | | 72,383 |
| Contra Costa County | | 41,693 |
| IDA – Spring Board | | 16,682 |
| Others | | 26,740 |
| Total | $ | 4,023,356 |

NOTE 13- RECOVERABLE GRANTS

The organization received Community Block Development Grant funds through Contra Costa County in the amount of $141,706 for the improvements of the Multi-Cultural Senior and Family Center in Richmond, California. The organization is required to repay Contra Costa County shall these funds be expended without meeting the requirements of the grantor. The amount of the grant recoverable is $23,850.

## NOTE 13- RECOVERABLE GRANTS (Continued)

The organization received funds from NeighborWorks in the amount of $9,000,000 in 2017/2018 and $5,750,000 in 2020 for the NeighborhoodLIFT program. The organization is required to repay NeighborWorks shall these funds be expended without meeting the requirements of the grantor. The amount of grant recoverable is $14,199,600.

## NOTE 14 - RETIREMENT PLAN

The Organization sponsors a qualified 403(b) retirement plan for eligible employees who meet the plan's eligibility requirements. Eligible employees are those employees who have completed one year of employment and have reached age 21, or were employed on the effective date of the plan, January 1, 2004. Employees may contribute up to the maximum allowed by income tax regulations; the Organization matches one hundred percent of employee contributions up to a maximum of 2%. The Organization contributions vest incrementally over four years, after the first year of service. As of December 31, 2020, the organization paid $14,581 into this plan.

## NOTE 15 - LEASE COMMITMENTS

As of December 31, 2020, the Organization incurred $15,972 in rental expenses. The Organization is leasing office spaces in Richmond, California. The Richmond office's lease expires on May 14, 2025. The following is a schedule of the future minimum lease payments under these operating leases:

| | Office Space |
|---|---|
| 2021 | $ 15,972 |
| 2022 | 15,972 |
| 2023 | 15,972 |
| 2024 | 15,972 |
| 2025 | 6,655 |
| Total | $ 70,543 |

## NOTE 16 – CONCENTRATIONS OF CREDIT RISK

The Organization has identified its financial instruments which are potentially subject to risk as cash and receivables. The Organization invests its Cash with various financial institutions. These deposits include amounts over federally insured limits. Accounts receivable represent primarily unsecured amounts due from federal agencies, other government agencies, foundations, and various organizations and individuals. The organization has not previously experienced significant credit losses.

## NOTE 17 – ECONOMIC CONCENTRATIONS

The Organization is dependent upon government grants, donations and other support from individuals, foundations and other entities in addition to program fees and contracts. If the level of support varies, there may be resulting effect upon the level and types of activities and program services offered by CHDC. For the year ended December 31, 2020, government grants and program revenue represented 42% of CHDC's revenue; foundation grants represented 8% of CHDC's revenue.

## NOTE 18 – COVID -19

In early March 2020, the COVID-19 virus was declared a global pandemic, and it unfortunately continues to spread rapidly. Business continuity, including supply chains and consumer demand across a broad range of industries and countries, could be severely impacted for months or more, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time.

## NOTE 19 - SUBSEQUENT EVENTS

Management of the Organization has reviewed the results of operations for the period of time from its year end, December 31, 2020 through June 29, 2021, the date the financial statements were available to be issued and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

On March 11, 2021, the PPP Loan has been forgiven in full by the Small Business Administration (SBA) with $349,760 in principal and $3,041 in interest.

# SUPPLEMENTARY INFORMATION

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
**FOR THE YEAR ENDED DEECMBER 31, 2020**

| Federal Grantor/Pass Through Grantor/ Program Title | CFDA NUMBER | PASS THROUGH GRANT IDENTIFYING NUMBER | FEDERAL EXPENDITURES | LOAN BALANCES |
|---|---|---|---|---|
| U.S. Department of Housing and Urban Development | | | | |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant | 14.218 * | N/A | | $ 313,361 |
| Pass Through: Contra Costa County<br>Program: Community Development Block Grant | 14.218 * | N/A | $ 70,264 | 214,178 |
| Sub-Total of Community Development Block Grant | | | 70,264 | 527,539 |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant ARRA Entitlement Grant(CDBG-R) | 14.253 * | N/A | | 1,099,593 |
| Total U.S. Department of Housing and Urban Development | | | 70,264 | 1,627,132 |
| U.S. Department of Treasury<br>Program: NeighborWorks America | 21.000 | N/A | 834,642 | |
| Total U.S. Department of Treasury | | | 834,642 | |
| U.S. Department of Health and Human Services | | | | |
| Pass Through: Contra Costa County<br>Program: Senior Nutrition Program | 93.045 | N/A | 11,215 | |
| Total U.S. Department of Health and Human Services | | | 11,215 | |
| Total Federal Awards | | | $ 916,121 | $ 1,627,132 |

* Tested as a major program

## COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND
## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
## FOR THE YEAR ENDED DECEMBER 31, 2020

**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Housing Development of North Richmond and Affiliates under programs of the federal government for the year December 31, 2020 in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Community Housing Development of North Richmond and Affiliates, it is not intended to and does not present the financial position changes in net assets, or cash flows for Community Housing Development of North Richmond and Affiliates.

**2. Summary of Significant Accounting Policies**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.
Community Housing Development of North Richmond has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

**3. Housing Program Loans**

The Organization participates in housing programs where funds have been provided by U.S Department of Housing and Urban Development and U.S Department of Treasury as loans. Outstanding balance for these loans at December 31, 2020 are as followed.

| Federal Grantor/Pass Through Grantor/ Program Title | CFDA NUMBER | LOAN BALANCE 12/31/2019 | INCREASED/ (DECREASE) | LOAN BALANCE 12/31/2020 |
|---|---|---|---|---|
| U.S. Department of Housing and Urban Development | | | | |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant | 14.218 | $ 396,084 | (82,723) | $ 313,361 |
| Pass Through: Contra Costa County<br>Program: Community Development Block Grant | 14.218 | 214,178 | | 214,178 |
| Pass Through: City of Richmond<br>Program: Home Investment Partnerships Program | 14.239 | 365,292 | (365,292) | |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant ARRA Entitlement Grant (CDBG-R) | 14.253 | 1,099,593 | | 1,099,593 |
| Total U.S. Department of Housing and Urban Development | | 2,075,147 | (448,015) | 1,627,132 |
| Total Federal Loan Balance | | $ 2,075,147 | $ (448,015) | $ 1,627,132 |

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*Certified Public Accountants*

# INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Housing Development Corporation of North Richmond (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 29, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Community Housing Development Corporation of North Richmond's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS (CONTINUED)*

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Housing Development Corporation of North Richmond's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Grant & Smith, LLP

Oakland, California
June 29, 2021

GRANT & SMITH, LLP
Certified Public Accountants

# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

## Report on Compliance for Each Major Federal Program

We have audited Community Housing Development Corporation of North Richmond's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Housing Development Corporation of North Richmond's major federal programs for the year ended December 31, 2020. Community Housing Development Corporation of North Richmond's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of Community Housing Development Corporation of North Richmond's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Housing Development Corporation of North Richmond's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Community Housing Development Corporation of North Richmond's compliance.



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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

### *Opinion on Each Major Federal Program*

In our opinion, Community Housing Development Corporation of North Richmond complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

### Report on Internal Control Over Compliance

Management of Community Housing Development Corporation of North Richmond is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Community Housing Development Corporation of North Richmond's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Grant & Smith, LLP

Oakland, California
June 29, 2021

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**YEAR ENDED DECEMBER 31, 2020**

## SECTION I – SUMMARY OF AUDITOR'S RESULTS

***Financial Statements***

| | |
|---|---|
| Type of auditor's report issued: | *Unmodified* |
| Internal control over financial reporting: | |
| • Material weaknesses identified? | None |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None |
| Noncompliance material to financial statements noted? | None |

***Federal Awards***

| | |
|---|---|
| Internal control over major program: | |
| • Material weaknesses identified? | None |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None |
| Type of auditors' report issued on compliance for major program: | *Unmodified* |
| Any audit findings disclosed that are required to be reported in Accordance with Uniform Grants Guidance? | No |

Identification of major program:

| *CFDA Number* | *Name of Federal Program* |
|---|---|
| 21.000 | NeighborWorks America |
| 14.253 | Community Development Block Grant - ARRA |

| | |
|---|---|
| Dollar threshold used to distinguish between type A and type B programs: | $750,000 |
| Auditee qualified as a low risk auditee? | Yes |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**
**YEAR ENDED DECEMBER 31, 2020**

## SECTION II - FINANCIAL STATEMENTS FINDINGS

No matters were reported.

## SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**STATUS OF CURRENT YEAR FINDINGS**
**DECEMBER 31, 2020**

None.

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**STATUS OF PRIOR YEAR FINDINGS**
**DECEMBER 31, 2020**

None.

# COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND

## AUDITED FINANCIAL STATEMENTS

## DECEMBER 31, 2019

GRANT & SMITH, LLP
Certified Public Accountants

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**

**AUDITED FINANCIAL STATEMENTS**

**DECEMBER 31, 2019**

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# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of Community Housing Development Corporation of North Richmond (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Housing Development Corporation of North Richmond as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The statement of financial position – NeighborWorks are presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2020, on our consideration of Community Housing Development Corporation of North Richmond's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Housing Development Corporation of North Richmond's internal control over financial reporting and compliance.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

**Report on Summarized Comparative Information**

We have previously audited Community Housing Development Corporation of North Richmond's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 12, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Grant + Smith, LLP

Oakland, California
June 16, 2020

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FUNCTIONAL EXPENSES**
**FOR THE YEAR ENDED DECEMBER 31, 2019**
**(With Summarized Totals for 2018)**

| | 2019 | | | |
|---|---|---|---|---|
| | Affordable Housing Program | Management & General | Total | 2018 Total |
| **Expenses** | | | | |
| Salaries & Wages | 1,109,495 | $ 544,063 | $ 1,653,558 | $ 1,597,742 |
| Payroll Taxes | 83,550 | 40,970 | 124,520 | 120,218 |
| Employee Benefits | 162,833 | 79,848 | 242,681 | 219,493 |
| Professional Services | 103,464 | 50,735 | 154,199 | 230,509 |
| Rent | 21,735 | 10,658 | 32,393 | 32,509 |
| Utilities | 14,728 | 7,222 | 21,950 | 18,768 |
| Dues & Subscriptions | 13,553 | 6,646 | 20,199 | 7,324 |
| Conference & Training | 17,624 | 8,642 | 26,266 | 23,217 |
| Travel & Meals | 29,541 | 14,486 | 44,027 | 37,801 |
| Office Expenses | 10,918 | 5,354 | 16,272 | 18,315 |
| Postage | 4,194 | 2,057 | 6,251 | 4,015 |
| Telephone | 22,158 | 10,865 | 33,023 | 28,890 |
| Insurance | 10,109 | 4,957 | 15,066 | 16,137 |
| Equipment, Maintenance & Repairs | 19,045 | 9,339 | 28,384 | 18,854 |
| Contract Service | 16,706 | 8,191 | 24,897 | 27,241 |
| Rental Property Expenses | 230,165 | | 230,165 | 189,974 |
| Supportive Services | 214,216 | 105,045 | 319,261 | 214,779 |
| Board Expenses | 7,672 | | 7,672 | 9,167 |
| Depreciation | | 31,963 | 31,963 | 25,741 |
| Amortization | | 181 | 181 | 181 |
| Interest Expenses | | 79,139 | 79,139 | 3,732 |
| Other Expenses | 33,088 | | 33,088 | 18,537 |
| **Total Expenses** | $ 2,124,794 | $ 1,020,361 | $ 3,145,155 | $ 2,863,144 |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED DECEMBER 31, 2019**
**(With Summarized Totals for 2018)**

| | 2019 | 2018 |
|---|---|---|
| **Cash Flows From Operating Activities:** | | |
| Changes in Net Assets | $ 3,000,698 | $ 1,384,334 |
| Adjustments to Reconcile Net Assets to Net Cash Provided (Used) by Operating Activities: | | |
| Depreciation & Amortization | 32,144 | 25,922 |
| *(Increases)/Decreases in Operating Assets* | | |
| Accounts Receivable | (19,790) | 219,309 |
| Notes Receivable | 97,631 | (8,036,631) |
| Deposits | (2,000) | |
| Prepaid Expenses | (8,345) | 1,406 |
| *Increases/(Decreases) in Liabilities* | | |
| Accounts Payable | (144,154) | (278,690) |
| Salaries Payable | 8,782 | 6,192 |
| Accrued Payables | 44,846 | (169,025) |
| Accrued Vacation | 8,477 | (498) |
| Accrued Interest | 85,178 | 47,704 |
| Recoverable Grants | (91,141) | 3,227,000 |
| Due from Affiliate | (2,771,285) | (1,504,350) |
| Deferred Program Revenue | (34,330) | (108,840) |
| Total Adjustment | (2,793,987) | (6,570,501) |
| Net Cash Provided (Used) by Operating Activities | 206,711 | (5,186,167) |
| **Cash Flows From Investing Activities:** | | |
| Purchases of Fixed Assets (Net) | (299,992) | (5,883) |
| Land Held for Development | (974,828) | |
| Construction In Progress/Predevelopment Costs | 443,400 | (683,765) |
| Net Cash Provided (Used) by Investing Activities | (831,420) | (689,648) |
| **Cash Flows From Financing Activities:** | | |
| Proceeds/(Repayment) from Issuance of Notes Payable | 1,779,788 | 250,677 |
| Net Cash Provided (Used) by Financing Activities | 1,779,788 | 250,677 |
| Net Increase (Decrease) in Cash | 1,155,079 | (5,625,138) |
| **Cash at the Beginning of the Year** | 4,323,295 | 9,948,433 |
| **Cash at the End of the Year** | $ 5,478,374 | $ 4,323,295 |
| Supplemental disclosure of cash flow information: | | |
| Cash paid for: | | |
| Interest Expenses | $ 79,139 | $ 3,732 |
| Taxes | $ | $ |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**NOTES TO FINANCIAL STATEMENTS**
**DECEMBER 31, 2019**

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### General

Community Housing Development Corporation of North Richmond (CHDC) (the Organization), (a nonprofit organization), was formed to promote the general welfare and economic development of low income groups in Contra Costa, Alameda, Solano, San Francisco, Santa Cruz and Santa Clara Counties. CHDC accomplishes its objectives by constructing, rehabilitating, and providing decent, safe and sanitary housing for persons and families of low income who are in need of a suitable place to live.

### Basis of Accounting

The Organization's books are maintained, and the financial statements have been prepared, on the accrual basis of accounting, except developer fees and grants from foundations, which are recorded on the cash basis, when received.

### Contributions

Generally accepted accounting principles require the Organization to report information about its financial position and activities in three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Unrestricted contributions are recognized as an increase in unrestricted net assets when received. Donor restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the donor-imposed restriction. When restrictions are satisfied, either by the passage of time or by accomplishing the purpose, the temporarily restricted net assets released are reclassified to unrestricted net assets and reported in the activity statement as net assets released from restrictions.

When restrictions are satisfied in the same accounting period that the contribution is received, both the revenue and the related expense are reported in the unrestricted net asset class.

### Financial Statement Presentation

As required, the accompanying financial statements have been prepared to focus on the Organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by the classification of net assets and transactions into the following classes of assets:

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Financial Statement Presentation (Continued)

*Net Assets without Donor Restrictions* - Net assets not subject to donor-imposed stipulations.

*Net Assets with Donor Restrictions* - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time, or be maintained permanently by the Organization

The Organization uses net assets with donor restrictions in accordance with donor-imposed restrictions to support specific programs and associated administrative functions. Net assets without donor restrictions are used to support general programs and associated general and administrative functions.

### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with maturity within three months or less to be cash equivalents.

### Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, based on management estimates certain costs have been allocated among the programs and supporting services benefited.

### Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. The Organization capitalizes all significant additions and improvements in excess of $500. Property and equipment are being depreciated using the straight-line half-year convention over the estimated useful life of the asset, 30 years for building, 15-30 years for leasehold improvements and 3-5 years for furniture, office equipment and vehicles.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment (Continued)

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation is removed from the accounts and any resulting gain or loss is recognized in income for the period.

The cost of maintenance and repairs, which neither materially add to the value of the property, nor appreciably prolong its life are recorded as expenses as incurred.

For the fiscal year ending December 31, 2019 the organization incurred $31,963 in depreciation expense.

Financing Costs

Financing costs associated with acquiring a long-term notes payable are being amortized on a straight-line basis over the life of the note, 30 years. Amortization expense for December 31, 2019 was $181 .

Construction in Progress/ Predevelopment Costs

The Organization capitalizes all significant costs associated with designing, developing, and constructing its various low-income housing projects. Proceeds from the sale of constructed units are either recognized as revenue or are returned to grantors, if grant funds were used during the development of the project. Capitalized costs relative to projects which are later deemed to be infeasible are expensed in the year the project is abandoned.

Income Taxes

The Organization is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code Section 23701 (d) of the California Revenue and Taxation Code. GAAP provides accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Organization's returns for years 2017 through 2019 are subject to examination by federal and state taxing authorities, generally for three years after they are filed.

Fair Value of Financial Instruments

The carrying amounts of cash, cash equivalents, accounts receivable and other assets approximate fair values due to the short-term maturities of these assets.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Accounts Receivable

Accounts Receivable consist of amounts due from funding sources, as described in Note 3, and are considered by management to be fully collectible.

### Comparative Information

The financial statements include certain summarized comparative information from the prior year. This information is presented in total and not by net asset class and does not include sufficient detail to be in conformity with generally accepted accounting principles. Such information should be read together with the Organization's financial statements for the year ended December 31, 2018 from which the summarized information was extracted. Certain amounts in the prior year financial statements have been reclassified for comparison purposes to conform for the current year presentation.

## NOTE 2 - CASH AND CASH EQUIVALENTS

At December 31, 2019, cash and cash equivalents consisted of:

| | | |
|---|---|---|
| Cash – Unrestricted | $ | 3,558,910 |
| Cash – Restricted | | 1,919,464 |
| Total | $ | 5,478,374 |

At year ended December 31, 2019, the Organization cash balances were covered by the Federal Deposit Insurance Corporation (FDIC)

## NOTE 3 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures without donor restrictions or other restrictions limiting their use, within one year of December 31, 2019 are:

| | | |
|---|---|---|
| *Financial Assets* | | |
| Cash | $ | 5,478,374 |
| Accounts Receivable | | 142,920 |
| Due from Affiliates | | 4,749,478 |
| Total Financial Assets | | 10,370,772 |
| Less: Cash with Donor Restrictions | | (1,919,464) |
| Amount Available Within One Year | $ | 8,451,308 |

## NOTE 3 – LIQUIDITY AND AVAILABILITY(Continued)

The organization has policies to structure its financial assets to be available for general expenditures, liabilities, and other obligations come due. The organization policy is to maintain a cash-on-hand balance at a minimum of $2 million. This balance is maintained through collection of development fees the organization collections from projects. At the year ended December 31, 2019, the organization has cash for general expenditures to maintain expenses the organization will incur for over a year. The organization invests excess cash in savings accounts.

## NOTE 4 - ACCOUNTS RECEIVABLE

At December 31, 2019, accounts receivable consisted of:

| | | |
|---|---|---|
| Federal Contracts | $ | 80,493 |
| Other | | 62,427 |
| Total | $ | 142,920 |

## NOTE 5 - NOTES RECEIVABLE

Notes receivable consists of loans from the CalHome Program and NeighborhoodLIFT. The CalHome Program enables assistance for first-time homebuyer down payment. The program assists individual households through deferred payment loans. As of December 31, 2019, the outstanding balance was $1,773,779.

The Neighborhood LIFT program provides down payment assistance. As of December 31, 2019, the outstanding balance was $8,550,000.

## NOTE 6 – INVESTMENT IN AFFILIATES

At December 31, 2019, the Organization recorded an investment in Community First Lending of $236,763 reclassified from Due from Community First Lending account balance in 2014.

## NOTE 7 - PROPERTY AND EQUIPMENT

At December 31, 2019, property and equipment were as follows:

| | | |
|---|---|---|
| Land | $ | 146,441 |
| Building | | 725,274 |
| Equipment & Furniture | | 210,293 |
| Leasehold Improvements | | 106,932 |
| Total Fixed Assets | | 1,188,940 |
| Less Accumulated Depreciation | | (410,094) |
| Net Property & Equipment | $ | 778,846 |

## NOTE 8 – LAND/PROPERTY HELD FOR DEVELOPMENT

At December 31, 2019, land/property held for development was as follows:

| | | |
|---|---|---|
| Land (Acquired for Development) | $ | 2,713,851 |
| Property (Acquired for Development) | | 1,022,784 |
| Total | $ | 3,736,635 |

## NOTE 9 - CONSTRUCTION IN PROGRESS/PREDEVELOPMENT COSTS

At December 31, 2019, The Organization had accumulated capitalized costs of $5,328,634 representing costs relative to acquiring, designing and constructing low income housing units. Proceeds from the sale of constructed units are either recognized as revenue or returned to grantors, if recoverable grant funds were used to fund acquisition and/or construction or for the repayment of loans if loans proceeds were used.

## NOTE 10 - NOTES PAYABLE

At December 31, 2019, the Organization was obligated on the following notes:

| Creditor | Notes Detail | Outstanding Balance |
|---|---|---|
| City of Richmond as Successor Agency to Redevelopment Agency | Note payable for 1448-52 Filbert Street, Richmond, CA. 0% annual interest rate, payable upon sale of the securing property or the occurrence of an event of default, secured by deed of trust. | $ 195,078 |
| City of Richmond as Successor Agency to Redevelopment Agency | Four (4) notes for various projects, interest accrues at 3% simple interest per annum, principal and deferred interest payable at maturity, October 2056, secured by deed of trust. | $ 201,006 |
| City of Richmond | Note payable funded by HOME funds for the sum of $377,000, for Nevin Court, interest payable at 3%, maturing in November 2063. Note secured by deed of trust. | $ 365,292 |
| S.H. Cowell Foundation | Notes payable for a principal sum of $1,000,000 for 1243-1255 Filbert Street, 1234 Filbert Street and 1267 Willard Avenue, interest rate accrues at 2.5% per annum. The note is secured by a deed of trust, maturing October 31, 2022. | $ 1,000,000 |

NOTE 10 - NOTES PAYABLE(Continued)

| | | |
|---|---|---|
| City of Richmond | Note payable to finance predevelopment of 1267 Filbert Street. The note bears interest rate of 3% and is due September 30, 2065. | $ 1,099,593 |
| Contra Costa County as Successor Agency to Redevelopment Agency | Note Payable to finance the acquisition and rehabilitation of 1722-24 Fred Jackson Way. The note bears 0% interest rate. The note is secured by Deed of Trust and matures on December 31, 2019 | $ 214,178 |
| City of Oakland | Note payable for 1904 Adeline Street, interest payable at 3.0% per annum, maturing on February 7,2020 | $ 50,000 |
| City of Vallejo | Note Payable for 720-726 & 759 Sonoma Estates, interest payable at 3% per annum, maturing 5/22/2024 | $ 419,549 |
| NeighborWorks Salt Lake/AHMI Fund, LLC | Note payable – Capital loan fund, interest payable at 5.5% per annum, maturing 04/15/2024 | $ 2,000,000 |
| Total Notes Payable | | $ 5,544,696 |

The future annual maturities of long-term debts are as followed:

| | |
|---|---|
| 2020 | $ 264,168 |
| 2021 | |
| 2022 | 1,000,000 |
| 2023 | |
| 2024 | 2,419,549 |
| Thereafter | 1,860,979 |
| Total | $ 5,544,696 |

## NOTE 11 – NET ASSETS WITH DONOR RESTRICTION

At December 31, 2019, net assets with donor restrictions are as follow

| | | |
|---|---|---|
| CalHOME | $ | 2,245,148 |
| Neighborworks Capital | | 2,148,201 |
| Neighborworks Salt Lake | | 666,780 |
| Barrett Plaza | | 38,094 |
| Heritage Point A/G LP | | 265,000 |
| Ways to Work Program - Reserve | | 268,276 |
| LIFT Program | | 34,466 |
| AFI Program | | 72,383 |
| Contra Costa County | | 41,643 |
| IDA – Spring Board | | 16,682 |
| Others | | 44,770 |
| Total | $ | 5,841,443 |

## NOTE 12- RECOVERABLE GRANTS

The organization received Community Block Development Grant funds through Contra Costa County in the amount of $141,706 for the improvements of the Multi-Cultural Senior and Family Center in Richmond, California. The organization is required to repay Contra Costa County shall these funds be expended without meeting the requirements of the grantor. The amount of the grant recoverable is $52,191.

The organization received funds from NeighborWorks in the amount of $9,000,000 for the NeighborhoodLIFT program. The organization is required to repay NeighborWorks shall these funds be expended without meeting the requirements of the grantor. The amount of grant recoverable is $8,539,600.

## NOTE 13 - LEASE COMMITMENTS

As of December 31, 2019, the Organization incurred $15,972 in rental expenses. The Organization is leasing office spaces in Richmond, California. The Richmond office's lease expires on May 14, 2025. The following is a schedule of the future minimum lease payments under these operating leases:

| | Office Space | |
|---|---|---|
| 2020 | $ | 15,972 |
| 2021 | | 15,972 |
| 2022 | | 15,972 |
| 2023 | | 15,972 |
| 2024 | | 15,972 |
| Total | $ | 79,860 |

## NOTE 14 - RETIREMENT PLAN

The Organization sponsors a qualified 403(b) retirement plan for eligible employees who meet the plan's eligibility requirements. Eligible employees are those employees who have completed one year of employment and have reached age 21, or were employed on the effective date of the plan, January 1, 2004. Employees may contribute up to the maximum allowed by income tax regulations; the Organization matches one hundred percent of employee contributions up to a maximum of 2%. Organization contributions vest incrementally over four years, after the first year of service.
As of December 31, 2019, the organization paid $47,321 into this plan.

## NOTE 15 - SUBSEQUENT EVENTS

Management of the Organization has reviewed the results of operations for the period of time from its year end, December 31, 2019 through June 16, 2020, the date the financial statements were available to be issued and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

**SUPPLEMENTARY INFORMATION**

**COMMUNITY HOUSING DEVELOPMENT**
**CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FINANCIAL POSITION - NEIGHBORWORKS AMERICA**
**CAPITAL FUND**
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**ASSETS**

| | | |
|---|---|---|
| Cash | $ | 38,094 |
| Construction in Progress/Predevelopment Costs | | 2,110,107 |
| **Total Assets** | | 2,148,201 |

**LIABILITIES AND NET ASSETS**

| | | |
|---|---|---|
| Net Assets | | 2,148,201 |
| **Total Net Assets & Liabilities** | $ | 2,148,201 |

**COMMUNITY HOUSING DEVELOPMENT**
**CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FINANCIAL POSITION - NEIGHBORWORKS AMERICA**
**CAPITAL FUND**
**FOR THE YEAR ENDED DECEMBER 31, 2019**

| | | |
|---|---|---|
| **Revenues, Gains and Other Support:** | | |
| Capital Grant - Neighborhood Reinvestment | | |
| **Change in Net Assets** | | |
| **Net Assets - Beginning of the year** | | 2,148,201 |
| **Net Assets - End of the year** | $ | 2,148,201 |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF EXPENDITURES OF FEDERAL AWARDS**
**FOR THE YEAR ENDED DEECMBER 31, 2019**

| Federal Grantor/Pass Through Grantor/ Program Title | CFDA NUMBER | PASS THROUGH GRANT IDENTIFYING NUMBER | FEDERAL EXPENDITURES | LOAN BALANCES |
|---|---|---|---|---|
| U.S. Department of Housing and Urban Development | | | | |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant | 14.218 * | N/A | | $ 396,084 |
| Pass Through: Contra Costa County<br>Program: Community Development Block Grant | 14.218 * | N/A | $ 97,168 | 214,178 |
| Pass Through: City of Vallejo<br>Program: Community Development Block Grant | 14.218 * | N/A | 8,899 | |
| Sub-Total of Community Development Block Grant | | | 106,067 | 610,262 |
| Pass Through: Neighborworks America<br>Program: HUD Comprehensive Housing Counseling | 14.169 | N/A | 25,000 | |
| Sub-Total of HUD Comprehensive Housing Counseling | | | 131,067 | |
| U.S. Department of Housing and Urban Development | | | | |
| Pass Through: City of Richmond<br>Program: Home Investment Partnerships Program | 14.239 | N/A | | 365,292 |
| Pass Through: City of Vallejo<br>Program: Home Investment Partnerships Program | 14.239 | N/A | 34,235 | |
| Sub-Total of Home Investment Partnerships Program | | | 34,235 | 365,292 |
| U.S. Department of Housing and Urban Development | | | | |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant ARRA Entitlement Grant(CDBG-R) | 14.253 * | N/A | | 1,099,593 |
| Total U.S. Department of Housing and Urban Development | | | 165,302 | 2,075,147 |
| U.S. Department of Treasury<br>Program: NeighborWorks America | 21.000 | N/A | 492,960 | |
| Total U.S. Department of Treasury | | | 492,960 | |
| U.S. Department of Health and Human Services | | | | |
| Pass Through: Contra Costa County<br>Program: Senior Nutrition Program | 93.045 | N/A | 16,057 | |
| Total U.S. Department of Health and Human Services | | | 16,057 | |
| Total Federal Awards | | | $ 674,319 | $ 2,075,147 |

* Tested as a major program

## COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND
## NOTES TO STATEMENT OF EXPENDITURES OF FEDERAL AWARDS
## FOR THE YEAR ENDED DECEMBER 31, 2019

**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Housing Development of North Richmond and Affiliates under programs of the federal government for the year December 31, 2019 in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Community Housing Development of North Richmond and Affiliates, it is not intended to and does not present the financial position changes in net assets, or cash flows for Community Housing Development of North Richmond and Affiliates.

**2. Summary of Significant Accounting Policies**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.
Community Housing Development of North Richmond has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

**3. Housing Program Loans**

The Organization participates in housing programs where funds have been provided by U.S Department of Housing and Urban Development and U.S Department of Treasury as loans. Outstanding balance for these loans at December 31, 2019 are as followed.

| Federal Grantor/Pass Through Grantor/ Program Title | CFDA NUMBER | LOAN BALANCE 12/31/2018 | INCREASED/ (DECREASE) | LOAN BALANCE 12/31/2019 |
|---|---|---|---|---|
| **U.S. Department** of Housing and Urban Development | | | | |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant | 14.218 | $ 396,084 | | $ 396,084 |
| Pass Through: Contra Costa County<br>Program: Community Development Block Grant | 14.218 | 214,178 | | 214,178 |
| Pass Through: City of Richmond<br>Program: Home Investment Partnerships Program | 14.239 | 365,292 | | 365,292 |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant ARRA Entitlement Grant (CDBG-R) | 14.253 | 1,099,593 | | 1,099,593 |
| Total U.S. Department of Housing and Urban Development | | 2,075,147 | - | 2,075,147 |
| U.S. Department of Treasury<br>Program: NeighborWorks America | 21.000 | 500,677 | (500,677) | - |
| Total U.S. Department of Treasury | | 500,677 | (500,677) | - |
| Total Federal Loan Balance | | $ 2,575,824 | $ (500,677) | $ 2,075,147 |

GRANT & SMITH, LLP
Certified Public Accountants

# INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Housing Development Corporation of North Richmond (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 16, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Community Housing Development Corporation of North Richmond's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.


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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS (CONTINUED)*

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Community Housing Development Corporation of North Richmond's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Grant + Smith, LLP

Oakland, California
June 16, 2020

# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

## Report on Compliance for Each Major Federal Program

We have audited Community Housing Development Corporation of North Richmond's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Housing Development Corporation of North Richmond's major federal programs for the year ended December 31, 2019. Community Housing Development Corporation of North Richmond's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of Community Housing Development Corporation of North Richmond's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Housing Development Corporation of North Richmond's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Community Housing Development Corporation of North Richmond's compliance.


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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

***Opinion on Each Major Federal Program***

In our opinion, Community Housing Development Corporation of North Richmond complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

**Report on Internal Control Over Compliance**

Management of Community Housing Development Corporation of North Richmond is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Community Housing Development Corporation of North Richmond's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Grant + Smith, LLP

Oakland, California
June 16, 2020

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**YEAR ENDED DECEMBER 31, 2019**

## SECTION I – SUMMARY OF AUDITOR'S RESULTS

***Financial Statements***

| | |
|---|---|
| Type of auditor's report issued: | *Unmodified* |
| Internal control over financial reporting: | |
| • Material weaknesses identified? | None |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None |
| Noncompliance material to financial statements noted? | None |

***Federal Awards***

| | |
|---|---|
| Internal control over major program: | |
| • Material weaknesses identified? | None |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None |
| Type of auditors' report issued on compliance for major program: | *Unmodified* |
| Any audit findings disclosed that are required to be reported in Accordance with Uniform Grants Guidance? | No |

Identification of major program:

| *CFDA Number* | *Name of Federal Program* |
|---|---|
| 14.218 | CDBG |
| 14.253 | Community Development Block Grant - ARRA |

| | |
|---|---|
| Dollar threshold used to distinguish between type A and type B programs: | $750,000 |
| Auditee qualified as a low risk auditee? | No |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**
**YEAR ENDED DECEMBER 31, 2019**

## SECTION II - FINANCIAL STATEMENTS FINDINGS

No matters were reported.

## SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**STATUS OF CURRENT YEAR FINDINGS**
**DECEMBER 31, 2019**

None.

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**STATUS OF PRIOR YEAR FINDINGS**
**DECEMBER 31, 2019**

None.

# COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND

## AUDITED FINANCIAL STATEMENTS

## DECEMBER 31, 2018

GRANT & SMITH, LLP
*Certified Public Accountants*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**

**AUDITED FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

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GRANT & SMITH, LLP
Certified Public Accountants

# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

## Report on the Financial Statements

We have audited the accompanying financial statements of Community Housing Development Corporation of North Richmond (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Housing Development Corporation of North Richmond as of December 31, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The statement of financial position – NeighborWorks are presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2018, on our consideration of Community Housing Development Corporation of North Richmond's internal control

over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Housing Development Corporation of North Richmond's internal control over financial reporting and compliance.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

**Report on Summarized Comparative Information**

We have previously audited Community Housing Development Corporation of North Richmond's 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 19, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Grant & Smith, LLP

Oakland, California
June 12, 2019

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FINANCIAL POSITION**
**AS OF DECEMBER 31, 2018**
**(With Summarized Totals for 2017)**

**ASSETS**

| | 2018 | 2017 |
|---|---|---|
| **Current Assets** | | |
| Cash & Cash Equivalents | $ 4,323,294 | $ 9,948,434 |
| Accounts Receivable | 123,130 | 342,439 |
| Due from Affiliate | 1,978,194 | 473,844 |
| Deposits & Other Assets | 2,000 | 2,000 |
| Prepaid Expenses | 14,102 | 15,508 |
| Total Current Assets | 6,440,720 | 10,782,225 |
| **Non Current Assets** | | |
| Notes Receivable | 10,421,410 | 2,384,779 |
| Investment in Affiliates | 236,762 | 236,762 |
| **Fixed Assets** | | |
| Property & Equipment, Net | 510,817 | 530,674 |
| Land/Property Held for Development | 2,761,807 | 2,761,807 |
| Construction in Progress/Predevelopment Costs | 5,772,034 | 5,088,269 |
| Financing Costs Less Amortization | 1,702 | 1,882 |
| Total Fixed Assets | 9,046,360 | 8,382,632 |
| Total Non Current Assets | 19,704,532 | 11,004,173 |
| **Total Assets** | $ 26,145,252 | $ 21,786,398 |

**LIABILITIES & NET ASSETS**

| | | |
|---|---|---|
| **Current Liabilities** | | |
| Accounts Payable | $ 276,441 | $ 555,131 |
| Salaries Payable | 31,286 | 25,094 |
| Accrued Expenses | 44,426 | 213,451 |
| Accrued Vacation | 49,346 | 49,844 |
| Deferred Program Revenue | 49,449 | 158,289 |
| Security Deposits | 1,000 | 1,000 |
| Notes Payable, Current Portion | 853,289 | 439,083 |
| Total Current Liabilities | 1,305,237 | 1,441,892 |
| **Long Term Liabilities** | | |
| Notes Payable | 3,764,908 | 3,514,231 |
| Less Notes Payable, Current Portion | (853,289) | (439,083) |
| Recoverable Grant | 8,682,932 | 5,455,932 |
| Accrued Interest Payable | 755,482 | 707,778 |
| Total Long Term Liabilities | 12,350,033 | 9,238,858 |
| Total Liabilities | 13,655,270 | 10,680,750 |
| **Net Assets** | | |
| Without Donor Restrictions | 6,566,332 | 7,101,325 |
| With Donor Restrictions | 5,923,650 | 4,004,323 |
| Total Net Assets | 12,489,982 | 11,105,648 |
| **Total Liabilities & Net Assets** | $ 26,145,252 | $ 21,786,398 |

*See accompanying notes*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF ACTIVITIES**
**FOR THE YEAR ENDED DECEMBER 31, 2018**
**(With Summarized Totals for 2017)**

| | 2018 | | | 2017 |
|---|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total All Funds | Total All Funds |
| **Support & Revenue** | | | | |
| **Support** | | | | |
| Grants & Donations | $ 420,235 | | $ 420,235 | $ 65,900 |
| Contributions | 42,111 | | 42,111 | 3,095,252 |
| Total Support | 462,346 | | 462,346 | 3,161,152 |
| **Revenue** | | | | |
| Government Contracts | 1,070,542 | $ 75,000 | 1,145,542 | 937,986 |
| Management Fees | 687,573 | | 687,573 | 436,472 |
| Developer Fees | 1,837,584 | | 1,837,584 | 1,047,000 |
| Property Sale Proceeds | | | - | 623,476 |
| Rental Revenue | 50,355 | | 50,355 | 25,337 |
| Special Events | 4,050 | | 4,050 | |
| In-Kind Revenue | | | | 163,200 |
| Interest Income | 40,666 | | 40,666 | 15,227 |
| Other Income | 19,362 | | 19,362 | 25,287 |
| Net Assets Released from Restriction | 29,712 | (29,712) | | |
| Total Revenue | 3,739,844 | 45,288 | 3,785,132 | 3,273,985 |
| **Total Support & Revenue** | 4,202,190 | | 4,247,478 | 6,435,137 |
| ***Operating Expenses*** | | | | |
| Affordable Housing Program | 2,050,579 | | 2,050,579 | 1,968,658 |
| Management & General | 812,565 | | 812,565 | 551,157 |
| **Total Expenses** | 2,863,144 | | 2,863,144 | 2,519,815 |
| **Changes in Net Assets** | 1,339,046 | 45,288 | 1,384,334 | 3,915,322 |
| **Net Assets, Beginning of the Year** | 7,101,325 | 4,004,323 | 11,105,648 | 7,262,348 |
| **Prior Year Adjustment** | (1,874,039) | 1,874,039 | | (72,022) |
| **Net Assets, End of the Year** | $ 6,566,332 | $ 5,923,650 | $ 12,489,982 | $ 11,105,648 |

*See accompanying notes*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FUNCTIONAL EXPENSES**
**FOR THE YEAR ENDED DECEMBER 31, 2018**
**(With Summarized Totals for 2017)**

| | 2018 | | | |
|---|---|---|---|---|
| | Affordable Housing Program | Management & General | Total | 2017 Total |
| **Expenses** | | | | |
| Salaries & Wages | $ 1,119,539 | $ 478,203 | $ 1,597,742 | $ 1,170,974 |
| Payroll Taxes | 84,237 | 35,981 | 120,218 | 90,161 |
| Employee Benefits | 153,799 | 65,694 | 219,493 | 207,136 |
| Professional Services | 161,518 | 68,991 | 230,509 | 131,432 |
| Rent | 22,779 | 9,730 | 32,509 | 23,720 |
| Utilities | 13,151 | 5,617 | 18,768 | 12,187 |
| Dues & Subscriptions | 5,132 | 2,192 | 7,324 | 15,635 |
| Conference & Training | 16,268 | 6,949 | 23,217 | 22,472 |
| Travel & Meals | 26,487 | 11,314 | 37,801 | 26,630 |
| Office Expenses | 12,833 | 5,482 | 18,315 | 18,469 |
| Postage | 2,813 | 1,202 | 4,015 | 4,191 |
| Telephone | 20,243 | 8,647 | 28,890 | 24,652 |
| Insurance | 11,307 | 4,830 | 16,137 | 11,459 |
| Equipment, Maintenance & Repairs | 13,211 | 5,643 | 18,854 | 21,105 |
| Contract Service | 19,088 | 8,153 | 27,241 | 35,013 |
| Rental Property Expenses | 189,974 | | 189,974 | 465,393 |
| Supportive Services | 150,496 | 64,283 | 214,779 | 121,028 |
| Board Expenses | 9,167 | | 9,167 | 2,976 |
| Depreciation | | 25,741 | 25,741 | 24,228 |
| Amortization | | 181 | 181 | 181 |
| Interest Expenses | | 3,732 | 3,732 | 4,435 |
| Other Expenses | 18,537 | | 18,537 | 86,338 |
| **Total Expenses** | $ 2,050,579 | $ 812,565 | $ 2,863,144 | $ 2,519,815 |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED DECEMBER 31, 2018**
**(With Summarized Totals for 2017)**

| | 2018 | 2017 |
|---|---|---|
| **Cash Flows From Operating Activities:** | | |
| Changes in Net Assets | $ 1,384,334 | $ 3,915,322 |
| Adjustments to Reconcile Net Assets to | | |
| Net Cash Provided (Used) by Operating Activities: | | |
| Depreciation & Amortization | 25,922 | 24,409 |
| Prior Period Adjustment | | (72,022) |
| *(Increases)/Decreases in Operating Assets* | | |
| Accounts Receivable | 219,309 | (177,725) |
| Notes Receivable | (8,036,631) | (734,957) |
| Prepaid Expenses | 1,406 | (398) |
| *Increases/(Decreases) in Liabilities* | | |
| Accounts Payable | (278,690) | 462,466 |
| Salaries Payable | 6,192 | 8,355 |
| Accrued Payables | (169,025) | 176,927 |
| Accrued Vacation | (498) | 11,993 |
| Accrued Interest | 47,704 | 20,291 |
| Recoverable Grants | 3,227,000 | 5,394,187 |
| Due from Affiliate | (1,504,350) | (473,844) |
| Line of Credit | | (100,000) |
| Deferred Program Revenue | (108,840) | 152,240 |
| Total Adjustment | (6,570,501) | 4,691,922 |
| Net Cash Provided (Used) by Operating Activities | (5,186,167) | 8,607,244 |
| **Cash Flows From Investing Activities:** | | |
| Investment in Affiliates | | |
| Purchases of Fixed Assets (Net) | (5,883) | (7,900) |
| Land Held for Development | - | 280,610 |
| Construction In Progress/Predevelopment Costs | (683,765) | 1,176,824 |
| Net Cash Provided (Used) by Investing Activities | (689,648) | 1,449,534 |
| **Cash Flows From Financing Activities:** | | |
| Proceeds/(Repayment) from Issuance of Notes Payable | 250,677 | (1,159,755) |
| Net Cash Provided (Used) by Financing Activities | 250,677 | (1,159,755) |
| Net Increase (Decrease) in Cash | (5,625,138) | 8,897,023 |
| **Cash at the Beginning of the Year** | 9,948,433 | 1,051,410 |
| **Cash at the End of the Year** | $ 4,323,294 | $ 9,948,433 |
| Supplemental disclosure of cash flow information: | | |
| Cash paid for: | | |
| Interest Expenses | $ 3,732 | $ 4,435 |
| Taxes | $ | $ |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**NOTES TO FINANCIAL STATEMENTS**
**DECEMBER 31, 2018**

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### General

Community Housing Development Corporation of North Richmond (CHDC) (the Organization), (a nonprofit organization), was formed to promote the general welfare and economic development of low income groups in Contra Costa, Alameda, Solano, San Francisco, Santa Cruz and Santa Clara Counties. CHDC accomplishes its objectives by constructing, rehabilitating, and providing decent, safe and sanitary housing for persons and families of low income who are in need of a suitable place to live.

### Basis of Accounting

The Organization's books are maintained, and the financial statements have been prepared, on the accrual basis of accounting, except developer fees and grants from foundations, which are recorded on the cash basis, when received.

### Contributions

Generally accepted accounting principles require the Organization to report information about its financial position and activities in three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Unrestricted contributions are recognized as an increase in unrestricted net assets when received. Donor restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the donor-imposed restriction. When restrictions are satisfied, either by the passage of time or by accomplishing the purpose, the temporarily restricted net assets released are reclassified to unrestricted net assets and reported in the activity statement as net assets released from restrictions.

When restrictions are satisfied in the same accounting period that the contribution is received, both the revenue and the related expense are reported in the unrestricted net asset class.

### Financial Statement Presentation

As required, the accompanying financial statements have been prepared to focus on the Organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by the classification of net assets and transactions into the following classes of assets:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

*Net Assets without Donor Restrictions* - Net assets not subject to donor-imposed stipulations.

*Net Assets with Donor Restrictions* - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time, or be maintained permanently by the Organization

The Organization uses net assets with donor restrictions in accordance with donor-imposed restrictions to support specific programs and associated administrative functions. Net assets without donor restrictions are used to support general programs and associated general and administrative functions.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with maturity within three months or less to be cash equivalents.

Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, based on management estimates certain costs have been allocated among the programs and supporting services benefited.

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. The Organization capitalizes all significant additions and improvements in excess of $500. Property and equipment are being depreciated using the straight-line half-year convention over the estimated useful life of the asset, 30 years for building, 15-30 years for leasehold improvements and 3-5 years for furniture, office equipment and vehicles.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment (Continued)

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation is removed from the accounts and any resulting gain or loss is recognized in income for the period.

The cost of maintenance and repairs, which neither materially add to the value of the property, nor appreciably prolong its life are recorded as expenses as incurred.

For the fiscal year ending December 31, 2018 the organization incurred $25,741 in depreciation expense.

Financing Costs

Financing costs associated with acquiring a long-term notes payable are being amortized on a straight-line basis over the life of the note, 30 years. Amortization expense for December 31, 2018 was $181 .

Construction in Progress/ Predevelopment Costs

The Organization capitalizes all significant costs associated with designing, developing, and constructing its various low-income housing projects. Proceeds from the sale of constructed units are either recognized as revenue or are returned to grantors, if grant funds were used during the development of the project. Capitalized costs relative to projects which are later deemed to be infeasible are expensed in the year the project is abandoned.

Income Taxes

The Organization is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code Section 23701 (d) of the California Revenue and Taxation Code. GAAP provides accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Organization's returns for years 2016 through 2018 are subject to examination by federal and state taxing authorities, generally for three years after they are filed.

Fair Value of Financial Instruments

The carrying amounts of cash, cash equivalents, accounts receivable and other assets approximate fair values due to the short-term maturities of these assets.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Accounts Receivable

Accounts Receivable consist of amounts due from funding sources, as described in Note 3, and are considered by management to be fully collectible.

### Comparative Information

The financial statements include certain summarized comparative information from the prior year. This information is presented in total and not by net asset class and does not include sufficient detail to be in conformity with generally accepted accounting principles. Such information should be read together with the Organization's financial statements for the year ended December 31, 2017 from which the summarized information was extracted. Certain amounts in the prior year financial statements have been reclassified for comparison purposes to conform for the current year presentation.

## NOTE 2 - CASH AND CASH EQUIVALENTS

At December 31, 2018, cash and cash equivalents consisted of:

| | | |
|---|---|---|
| Cash – Unrestricted | $ | 2,315,004 |
| Cash – Restricted | | 2,008,290 |
| Total | $ | 4,323,294 |

At year ended December 31, 2018, the Organization cash balances were covered by the Federal Deposit Insurance Corporation (FDIC)

## NOTE 3 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures without donor restrictions or other restrictions limiting their use, within one year of December 31, 2018 are:

| | | |
|---|---|---|
| Financial Assets | | |
| Cash | $ | 4,323,294 |
| Accounts Receivable | | 123,130 |
| Due from Affiliates | | 1,978,194 |
| Total Financial Assets | | 6,424,618 |
| Less: Cash with Donor Restrictions | | (2,008,290) |
| Amount Available Within One Year | $ | 4,416,628 |

## NOTE 3 – LIQUIDITY AND AVAILABILITY(Continued)

The organization has policies to structure its financial assets to be available for general expenditures, liabilities, and other obligations come due. The organization policy is to maintain a cash-on-hand balance at a minimum of $2 million. This balance is maintained through collection of development fees the organization collections from projects. At the year ended December 31, 2018, the organization has cash for general expenditures to maintain expenses the organization will incur for over a year. The organization invests excess cash in savings accounts.

## NOTE 4 - ACCOUNTS RECEIVABLE

At December 31, 2018, accounts receivable consisted of:

| | | |
|---|---|---|
| Federal Contracts | $ | 94,508 |
| Other | | 28,622 |
| Total | $ | 123,130 |

## NOTE 5 - NOTES RECEIVABLE

Notes receivable consists of loans from the CalHome Program and NeighborhoodLIFT. The CalHome Program enables assistance for first-time homebuyer down payment. The program assists individual households through deferred payment loans. As of December 31, 2018, the outstanding balance was $1,901,410.

The Neighborhood LIFT program provides down payment assistance. As of December 31, 2018, the outstanding balance was $8,520,000.

## NOTE 6 – INVESTMENT IN AFFILIATES

At December 31, 2018, the Organization recorded an investment in Community First Lending of $236,763 reclassified from Due from Community First Lending account balance in 2014.

## NOTE 7 - PROPERTY AND EQUIPMENT

At December 31, 2018, property and equipment were as follows:

| | | |
|---|---|---|
| Land | $ | 146,441 |
| Building | | 434,764 |
| Equipment & Furniture | | 200,811 |
| Leasehold Improvements | | 106,932 |
| Total Fixed Assets | | 888,948 |
| Less Accumulated Depreciation | | (378,131) |
| Net Property & Equipment | $ | 510,817 |

## NOTE 8 – LAND/PROPERTY HELD FOR DEVELOPMENT

At December 31, 2018, land/property held for development was as follows:

| | | |
|---|---|---|
| Land (Acquired for Development) | $ | 2,713,851 |
| Property (Acquired for Development) | | 47,956 |
| Total | $ | 2,761,807 |

## NOTE 9 - CONSTRUCTION IN PROGRESS/PREDEVELOPMENT COSTS

At December 31, 2018, The Organization had accumulated capitalized costs of $5,772,034 representing costs relative to acquiring, designing and constructing low income housing units. Proceeds from the sale of constructed units are either recognized as revenue or returned to grantors, if recoverable grant funds were used to fund acquisition and/or construction or for the repayment of loans if loans proceeds were used.

## NOTE 10 - NOTES PAYABLE

At December 31, 2018, the Organization was obligated on the following notes:

| Creditor | Notes Detail | Outstanding Balance |
|---|---|---|
| City of Richmond as Successor Agency to Redevelopment Agency | Note payable for 1448-52 Filbert Street, Richmond, CA. 0% annual interest rate, payable upon sale of the securing property or the occurrence of an event of default, secured by deed of trust. | $ 195,078 |
| City of Richmond as Successor Agency to Redevelopment Agency | Four (4) notes for various projects, interest accrues at 3% simple interest per annum, principal and deferred interest payable at maturity, October 2056, secured by deed of trust. | $ 201,006 |
| City of Richmond | Note payable funded by HOME funds for the sum of $377,000, for Nevin Court, interest payable at 3%, maturing in November 2063. Note secured by deed of trust. | $ 365,292 |
| S.H. Cowell Foundation | Notes payable for a principal sum of $1,000,000 for 1243-1255 Filbert Street, 1234 Filbert Street and 1267 Willard Avenue, interest rate accrues at 2.5% per annum. The note is secured by a deed of trust, maturing October 31, 2022. | $ 1,000,000 |

NOTE 10 - NOTES PAYABLE(Continued)

| | | |
|---|---|---|
| NeighborWorks Capital | Note payable for Barrett Terrace redevelopment, interest payable at 4.5% per annum, maturing on June 30, 2019, secured by a deed of trust. | $ 300,000 |
| City of Richmond | Note payable to finance predevelopment of 1267 Filbert Street. The note bears interest rate of 3% and is due September 30, 2065. | $ 1,099,593 |
| Contra Costa County as Successor Agency to Redevelopment Agency | Note Payable to finance the acquisition and rehabilitation of 1722-24 Fred Jackson Way. The note bears 0% interest rate. The note is secured by Deed of Trust and matures on December 31, 2019 | $ 214,178 |
| Local Initiative Support Corporation | Note payable for Barrett Terrance and Barrett Plaza redevelopment, interest payable at 6.0% per annum, maturing on November 1, 2019 | $ 139,084 |
| City of Oakland | Note payable for 1904 Adeline Street, interest payable at 3.0% per annum, maturing on February 7,2020 | $ 50,000 |
| Neighborworks Capital | Note payable for capital improvements, interest payable at 5.5% per annum, maturing on September 1, 2019 | $ 200,027 |
| Total Notes Payable | | $ 3,764,258 |

The future annual maturities of long-term debts are as followed:

| | |
|---|---|
| 2019 | $ 853,289 |
| 2020 | 50,000 |
| 2021 | |
| 2022 | 1,000,000 |
| 2023 | |
| Thereafter | 1,860,969 |
| Total | $ 3,764,258 |

NOTE 11 – NET ASSETS WITH DONOR RESTRICTION

At December 31, 2018, net assets with donor restrictions are as follow

| | | |
|---|---|---|
| CalHOME | $ | 2,160,884 |
| Neighborworks Capital | | 2,148,201 |
| Barrett Plaza | | 1,001,239 |
| Heritage Point A/G LP | | 265,000 |
| Ways to Work Program - Reserve | | 141,074 |
| LIFT Program | | 76,608 |
| AFI Program | | 72,383 |
| Contra Costa County | | 41,579 |
| IDA – Spring Board | | 16,682 |
| Total | $ | 5,923,650 |

NOTE 12- RECOVERABLE GRANTS

The organization received Community Block Development Grant funds through Contra Costa County in the amount of $141,706 for the improvements of the Multi-Cultural Senior and Family Center in Richmond, California. The organization is required to repay Contra Costa County shall these funds be expended without meeting the requirements of the grantor. The amount of the grant recoverable is $80,532.

The organization received funds from NeighborWorks in the amount of $9,000,000 for the NeighborhoodLIFT program. The organization is required to repay NeighborWorks shall these funds be expended without meeting the requirements of the grantor. The amount of grant recoverable is $8,602,400.

NOTE 13 - LEASE COMMITMENTS

As of December 31, 2018, the Organization incurred $15,972 in rental expenses. The Organization is leasing office spaces in Richmond, California. The Richmond office's lease expires on May 14, 2025. The following is a schedule of the future minimum lease payments under these operating leases:

| | | Office Space |
|---|---|---|
| 2019 | $ | 15,972 |
| 2020 | | 15,972 |
| 2021 | | 15,972 |
| 2022 | | 15,972 |
| 2023 | | 15,972 |
| Total | $ | 79,860 |

## NOTE 14 - RETIREMENT PLAN

The Organization sponsors a qualified 403(b) retirement plan for eligible employees who meet the plan's eligibility requirements. Eligible employees are those employees who have completed one year of employment and have reached age 21, or were employed on the effective date of the plan, January 1, 2004. Employees may contribute up to the maximum allowed by income tax regulations; the Organization matches one hundred percent of employee contributions up to a maximum of 2%. Organization contributions vest incrementally over four years, after the first year of service.
As of December 31, 2018, the organization paid $32,594 into this plan.

## NOTE 15 – PRIOR PERIOD ADJUSTMENTS

The organization reclassified cash balances received from prior periods, in the amount of $1,874,039, from net assets without donor restrictions to net assets with donor restrictions. The net effect of the correct has no change to net assets as whole.

## NOTE 16 - SUBSEQUENT EVENTS

Management of the Organization has reviewed the results of operations for the period of time from its year end, December 31, 2018 through June 12, 2019, the date the financial statements were available to be issued and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

# SUPPLEMENTARY INFORMATION

**COMMUNITY HOUSING DEVELOPMENT**
**CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FINANCIAL POSITION - NEIGHBORWORKS AMERICA**
**CAPITAL FUND**
**FOR THE YEAR ENDED DECEMBER 31, 2018**

**ASSETS**

| | | |
|---|---|---|
| Cash | $ | 134,251 |
| Construction in Progress/Predevelopment Costs | | 2,013,950 |
| **Total Assets** | | 2,148,201 |

**LIABILITIES AND NET ASSETS**

| | | |
|---|---|---|
| Net Assets | | 2,148,201 |
| **Total Net Assets & Liabilities** | $ | 2,148,201 |

**COMMUNITY HOUSING DEVELOPMENT**
**CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FINANCIAL POSITION - NEIGHBORWORKS AMERICA**
**CAPITAL FUND**
**FOR THE YEAR ENDED DECEMBER 31, 2018**

**Revenues, Gains and Other Support:**

| | | |
|---|---|---|
| Capital Grant - Neighborhood Reinvestment | $ | 75,000 |
| **Change in Net Assets** | | 75,000 |
| **Net Assets - Beginning of the year** | | 2,073,201 |
| **Net Assets - End of the year** | $ | 2,148,201 |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF EXPENDITURES OF FEDERAL AWARDS**
**FOR THE YEAR ENDED DEECMBER 31, 2018**

| Federal Grantor/Pass Through Grantor/ Program Title | CFDA NUMBER | PASS THROUGH GRANT IDENTIFYING NUMBER | FEDERAL EXPENDITURES | LOAN BALANCES |
|---|---|---|---|---|
| U S Department of Housing and Urban Development | | | | |
| Pass Through City of Richmond<br>Program Community Development Block Grant | 14 218 | N/A | | $ 396,084 |
| Pass Through Contra Costa County<br>Program Community Development Block Grant | 14 218 | N/A | $ 106,825 | 214,178 |
| Pass Through City of Vallejo<br>Program Community Development Block Grant | 14 218 | N/A | 4,641 | |
| Sub-Total of Community Development Block Grant | | | 111,466 | 610,262 |
| Pass Through Neighborworks America<br>Program HUD Comprehensive Housing Counseling | 14 169 | N/A | 13,500 | |
| Sub-Total of HUD Comprehensive Housing Counseling | | | 124,966 | |
| U S Department of Housing and Urban Development | | | | |
| Pass Through City of Richmond<br>Program Home Investment Partnerships Program | 14 239 | N/A | 169,553 | 365,292 |
| Pass Through City of Vallejo<br>Program Home Investment Partnerships Program | 14 239 | N/A | | |
| Sub-Total of Home Investment Partnerships Program | | | 169,553 | 365,292 |
| U S Department of Housing and Urban Development | | | | |
| Pass Through Local Initiative Support Corporation<br>Program Capacity Building for Community Development and Affordable Housing | 14 252 | N/A | 20,329 | |
| Sub-Total of Capacity Building for Community Development and Affordable Housing | | | 20,329 | |
| U S Department of Housing and Urban Development | | | | |
| Pass Through City of Richmond<br>Program Community Development Block Grant ARRA Entitlement Grant(CDBG-R) | 14 253 * | N/A | | 1,099,593 |
| Total U S Department of Housing and Urban Development | | | $ 314,848 | $ 2,075,147 |
| U S Department of Treasury<br>Program NeighborWorks America | 21 000 * | N/A | 269,755 | 500,677 |
| U S Department of Treasury | | | | |
| Pass Through Rural Community Assistance Corporation<br>Program Keep Your Home California | 21 010 | N/A | 1,600 | |
| Total U S Department of Treasury | | | $ 271,355 | $ 500,677 |
| U S Department of Health and Human Services | | | | |
| Pass Through Contra Costa County<br>Program Senior Nutrition Program | 93 045 | N/A | 11,266 | |
| Total U S Department of Health and Human Services | | | $ 11,266 | |
| Total Federal Awards | | | $ 597,469 | $ 2,575,824 |

* Tested as a major program

## COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND
## NOTES TO STATEMENT OF EXPENDITURES OF FEDERAL AWARDS
## FOR THE YEAR ENDED DECEMBER 31, 2018

**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Housing Development of North Richmond and Affiliates under programs of the federal government for the year December 31, 2018 in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Community Housing Development of North Richmond and Affiliates, it is not intended to and does not present the financial position changes in net assets, or cash flows for Community Housing Development of North Richmond and Affiliates.

**2. Summary of Significant Accounting Policies**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.
Community Housing Development of North Richmond has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

**3. Housing Program Loans**

The Organization participates in housing programs where funds have been provided by U.S. Department of Housing and Urban Development and U.S. Department of Treasury as loans. Outstanding balance for these loans at December 31, 2018 are as followed.

| Federal Grantor/Pass Through Grantor/ Program Title | CFDA NUMBER | LOAN BALANCE 12/31/2017 | INCREASED/ (DECREASE) | LOAN BALANCE 12/31/2018 |
|---|---|---|---|---|
| U.S. Department of Housing and Urban Development | | | | |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant | 14.218 | $ 396,084 | | $ 396,084 |
| Pass Through: Contra Costa County<br>Program: Community Development Block Grant | 14.218 | 214,178 | | 214,178 |
| Pass Through: City of Richmond<br>Program: Home Investment Partnerships Program | 14.239 | 365,292 | | 365,292 |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant ARRA Entitlement Grant (CDBG-R) | 14.253 | 1,099,593 | | 1,099,593 |
| Total U.S. Department of Housing and Urban Development | | 2,075,147 | - | 2,075,147 |
| U.S. Department of Treasury<br>Program: NeighborWorks America | 21.000 | 300,000 | 200,677 | 500,677 |
| Total U.S. Department of Treasury | | 300,000 | 200,677 | 500,677 |
| Total Federal Loan Balance | | $ 2,375,147 | $ 200,677 | $ 2,575,824 |

GRANT & SMITH, LLP
*Certified Public Accountants*

# INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Housing Development Corporation of North Richmond (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 12,2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Community Housing Development Corporation of North Richmond's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS (CONTINUED)*

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Housing Development Corporation of North Richmond's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Grant & Smith, LLP

Oakland, California
June 12, 2019

GRANT & SMITH, LLP
Certified Public Accountants

# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

## Report on Compliance for Each Major Federal Program

We have audited Community Housing Development Corporation of North Richmond's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Housing Development Corporation of North Richmond's major federal programs for the year ended December 31, 2018. Community Housing Development Corporation of North Richmond's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of Community Housing Development Corporation of North Richmond's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Housing Development Corporation of North Richmond's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Community Housing Development Corporation of North Richmond's compliance.



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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

***Opinion on Each Major Federal Program***

In our opinion, Community Housing Development Corporation of North Richmond complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018.

**Report on Internal Control Over Compliance**

Management of Community Housing Development Corporation of North Richmond is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Community Housing Development Corporation of North Richmond's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Grant & Smith, LLP

Oakland, California
June 12, 2019

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**YEAR ENDED DECEMBER 31, 2018**

## SECTION I – SUMMARY OF AUDITOR'S RESULTS

***Financial Statements***

| | |
|---|---|
| Type of auditor's report issued: | *Unmodified* |
| Internal control over financial reporting: | |
| • Material weaknesses identified? | None |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None |
| Noncompliance material to financial statements noted? | None |

***Federal Awards***

| | |
|---|---|
| Internal control over major program: | |
| • Material weaknesses identified? | None |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None |
| Type of auditors' report issued on compliance for major program: | *Unmodified* |
| Any audit findings disclosed that are required to be reported in Accordance with Uniform Grants Guidance? | No |

Identification of major program:

| *CFDA Number* | *Name of Federal Program* |
|---|---|
| 21.000 | Neighborworks America |
| 14.253 | Community Development Block Grant - ARRA |

| | |
|---|---|
| Dollar threshold used to distinguish between type A and type B programs: | $750,000 |
| Auditee qualified as a low risk auditee? | No |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**
**YEAR ENDED DECEMBER 31, 2018**

## SECTION II - FINANCIAL STATEMENTS FINDINGS

No matters were reported.

## SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**STATUS OF CURRENT YEAR FINDINGS**
**DECEMBER 31, 2018**

None.

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**STATUS OF PRIOR YEAR FINDINGS**
**DECEMBER 31, 2018**

None.

Community Housing Development Corporation
(A nonprofit organization)

# ACCOUNTING POLICY MANUAL

## INTRODUCTION

It is the policy of the Board of Directors that the Organization shall be fiscally managed in accordance with policies which are approved by the Board of Directors and implemented through procedures and directives issued by the Executive Director or Deputy Director. Furthermore, approved fiscal policies are to be contained in an Accounting Policy Manual, to be used as a reference for compliance with policy and for consistency of management decisions.

## RESPONSIBILITIES:

1. Implementation: Executive Director or Deputy Director.

2. Upkeep of Manual: CFO and Controller.

## POLICY ON FORMULATION OF BOARD POLICIES

It is the policy of the Organization that policy is established and approved by the Board of Directors. Policy is comparable to law; procedures are comparable to administrative rules. As such, the Board of Directors passes policy and the Executive Director establishes procedures. The purpose for this policy is to clarify the division of responsibilities in the process of developing Board policies.

## PROCESS:

1. The need for policy in an area may be brought to the attention of the Board by any member of the Board or by the Executive Director; Deputy Director; CFO, or directly from an outside party such as an auditor, representative of a funding source, attorney, etc.

2. The wording for policies may be proposed and developed by staff, by an individual member of the Board, or by a committee effort.

3. All policies must be approved at a committee level even if proposed by a non-committee member. The proposed policy should be routed to the committee which normally deals with its subject matter; if a proposed policy does not clearly fall within the jurisdiction of an established committee, it will be routed to the Executive Committee for study or a Finance Committee or Audit Committee shall be established by the President.

Policies should be analyzed in terms of benefits to the Organization, modified as necessary, and voted on for approval or rejection by the committee.

4. When a policy has received approval at the committee level, the committee has the option of deciding whether the policy requires full Board approval, or whether it may stand with approval of the committee only.

**SUBJECT: ORGANIZATION OPERATING BUDGET - POLICY**

It is the policy of the Organization that a Preliminary Summary Operating Budget be prepared at least 90 days prior to the commencement of each fiscal year, based on the most current information available and updated periodically, whenever projected changes in Revenues and/or Expenditures warrant, and at least as often as required by applicable funding sources. All Organization Operating Budgets must be approved by the Board of Directors. The format and content of such budgets are to be established by the Executive Committee of the Board of Directors.

It is also the policy of the Board of Directors that a deficit Budget cannot be approved. A deficit budget is defined as a budget in which the projected revenues are less than the projected expenditures, after adjustments for non-cash items.

PROCESS:

After the review of the budget with the organization's Executive Director and Deputy Director it shall be submitted to the Executive Committee such Operating Budgets as required and shall provide whatever additional information is needed for the Committee to make informed decisions.

As for the extent that such budgets impact on other Board committee responsibilities, it shall be the responsibility of the Chairperson of the Executive Committee to hold joint meetings with such other committees to obtain consensus.

The Executive Committee shall present such budgets, with recommendations, to the full Board for approval.

**SUBJECT: PREPARATION OF BUDGETS**

Procedure:

Periodically, the CFO and Controller may require department heads to submit operating budgets due to requirements of the Organization or outside interests.

**PROCESS:**

1. Instructions will be issued along with all the forms necessary to complete the budgets.

**SUBJECT: BUDGETARY CONTROLS - ORGANIZATION WIDE**

**GENERAL**

While the Executive Director has overall responsibility for the Organization's operating budget, the responsibility to develop monitoring systems and to report on variances has been delegated to the CFO and Controller.

**PROCEDURE**

The CFO or Controller has developed the following reports to monitor the budgetary performance of the Organization and to report on variances on a monthly basis.

1. Income Comparison Report: This report contains an analysis of each item of Revenue showing the Annual Budgeted Revenue, the year-to-date Budgeted Revenue, the year-to-date Actual Revenue, All variances of 10% or more shall be analyzed in a written narrative monthly

2. Expenditure Comparison Report (Department Totals): This report summarizes the totals by Department showing the Departments Annual Budget, the Departments year-to-date Actual Expenditures.

3. Expenditure Comparison Report (By Category): This report contains the major categories of line item expenses and shows Annual Budget, year-to-date Budgeted Expenditures, year-to-date Actual Expenditures.

All variances of 10% or more shall be analyzed in a written narrative and published by the Wednesday after the 2nd full week following month end.

4. Cash Flow Report: This report contains the actual cash received for the month and year-to-date. Also, the report shows the beginning and ending cash balances.

The Agency (CHDC) reports are issued to the Executive Committee for approval, and are submitted to the full Board on a monthly basis.

5. Quarterly Expenditure Reports and Analysis: The Organization's expenditures are compiled according to City, County or Federal (Lender) funding sources and analyzed to determine that the Organization is complying with expenditure requirements including match to justify the contracts.

These reports are due 30 days after the quarter and are summarized for submission to appropriate Lender after review and approval of the Executive Director.

6. Year-End Income and Expenditure Report: This report summarizes the financial operations for the year and is based on the Organization's audited Financial Statements. Similar to the quarterly report, it is designed to determine that expenditures by funding source are sufficient to justify contract amounts.

This report is prepared within 120 days of year-end, using audited results, and is summarized for submission to Lender after review and approval of the Executive Director.

Other Controls: In addition to these Organization-wide reports, the Controller also reviews Monthly Expenditure Reports by line item for each Department and Monthly Revenue Reports by source of revenue by Department for all sources of Earned Income. Each Department Head has primary responsibility to operate within the approval Department Budget; however, coordination with the Controller is part of the control.

**SUBJECT: BUDGETARY CONTROLS - DEPARTMENT SPECIFIC**

PROCEDURE

It is the responsibility of each Department Head to monitor their budgetary expenditure levels throughout the year and to take corrective action when variances require such actions. Corrective action must include contact with the Controller to discuss approaches to be taken.

In addition, as part of the Executive Committee review, the Controller may initiate investigations on variances and may require Department Head input.

Monthly Expenditure Reports: To assist the Department Head in their responsibility for budgetary control, the Accounting Dept. will issue monthly expenditure reports by line item, by department, within 2 weeks after the quarter-end.

These reports will contain actual and budget expenditures for each month and year-to-date, as well as variance amounts. The Department Heads should use these reports to determine compliance with budget level programs.

Monthly Revenue Report: Each month a fiscal year-to-date report will be issued of Earned Revenue by department by Source of Revenue.

These reports will also be issued within 2 weeks after the quarter-end.

At the time of budget preparation, each department will be consulted to establish Revenue Goals. The Monthly Revenue Report will be measuring the actual performance against these Goals.

Budgetary Responsibility of Department Heads: Whenever a Department Head is aware that expenditure levels or revenue levels applicable to the Department are or may be at variance by more than 10%, a written action plan must be submitted detailing correcting action to be taken to rectify the situation.

Action Plan Reports are due at least by the Wednesday following the 2nd full week following month end.

These reports should be issued to the Deputy Director who will include these in the Deputy's report to the Executive Director. (Copies of the Deputy's report should also be sent to the Controller).

**SUBJECT: BUDGET CONTROLS - CHANGES TO BUDGET**

It is the policy of the Organization that changes to the Organization's Annual Operating Budget must follow the level of authorization shown below.

1. Department Head may shift up to $500 for any category of expense so long as the total Department budget remains unchanged.

2. The Controller may shift line item budget for any operating department as long as the total operating budget is not exceeded.

3. The Executive Director may authorize shift in the organization-wide line item budgets up to 25% and must notify the Executive Committee of the Board of Directors of such shifts at the next regularly scheduled meeting.

4. Budget Revision in which the Organization's total budget is changed must be brought to the Executive Committee for evaluation. The Executive Committee shall present such budgets with recommendations, to the full Board for approval.

If individual department budgets or line item changes are proposed and the total changes do not require a revised budget, a Budgetary Change Form must be prepared and approved by the level of authority shown above.

Personnel Changes

If the change is in Personnel, show the position number in the first column, the Employee name and position title under the "Category" column, and Current and Revised amounts in the applicable column. The Current amount should always agree with the latest approved budget.

If the position being proposed is a new position, the Current columns would be zero "0" and there would be no position number, since no new position can be approved until the Budgetary Change Form is approved. Under the Revised column for such new position show the amount of salary thru the end of the fiscal year.

For all other changes to personnel, show the fiscal year effects of the proposed changes. Show the effective date of the change and whenever possible try to start the change for the beginning of a pay period.

If these personnel changes are approved, the signed approved copy of the Budgetary Change form should be attached to the Change of Status Form and/or the Authorization to Hire Form.

Other Expenditures Categories

In the first column of the Budgetary Change Form, show the Line Item # for the expenditures as contained on the Budget Detail Form.

The type of expenditure should be listed under the "Category" column. The Current and Revised Amounts should be recorded as applicable. Whenever possible show the effective date of change.

Reason for Change

Indicate in sufficient detail the reason for change. If necessary, attach additional material.

Processing of Changes

The Budgetary Change Form should be prepared by the level of authority requesting the change and signed by the levels of authority shown above.

In all cases, regardless of the authorization levels required, the Controller must sign off to evidence that the budget changes will be incorporated into the overall Operating Budget.

**SUBJECT: METHOD OF ACCOUNTING**

It is the policy of the Board of Directors that the books, records and accounts of the Organization be maintained on the accrual method of accounting.

PROCESS DEFINITIONS:

1. The accrual method of accounting requires that expenses be recorded when incurred and that revenue be recognized when earned. In a like manner, assets will be recorded when earned or obtained, and liabilities will be recorded when incurred.

2. A general ledger shall be maintained as a book of final entry to record the financial transactions of the Organization under the accrual method of accounting.

3. Balance sheet accounts will be established and maintained on an Organization wide basis.

4. Revenue accounts will be established in sufficient detail to reflect sources of funds earned and, whenever practical, to reflect the department that generated the revenue.

5. Expense accounts are assigned on a Department basis, with each Department (operating department) assigned a complete set of expense accounts.

6. Department Listing:

7. Chart of Accounts:

RESPONSIBILITIES:

1. The Bookkeepers are responsible for overseeing the maintenance of and the entries into the general ledger, and for establishing and maintaining the chart of accounts, and department assignments.

2. The Controller supervises Bookkeepers and is ultimately responsible for the integrity of the accounting system.

**SUBJECT: INDEPENDENT AUDITS**

It is the policy of the Board of Directors that the financial statements for the Organization shall be audited at least once per year by Certified Public Accountants who are qualified to perform audits in accordance with "Governmental Auditing Standards".

Further, it shall be the policy of the Organization to rotate independent auditors at least every five years as deemed necessary.

The rotation policy fosters objectivity of the auditors, enhances the quality of services and brings forth different ideas and recommendations to improve the efficiency of the Organization.

PROCEDURE:

The selection of audit firms to conduct the above referenced audits shall be the responsibility of the Audit Committee of the Board of Directors, who will develop a Request for Proposal (RFP) and establish the term and condition of the request, following appropriate practices for selection of independent audit firms.

Agreement with the audit firm shall be negotiated for three (3) years with an option to renew for two (2) additional years or not to exceed a maximum audit period of five years.

To properly effectuate this rotation policy, the audit firm at the end of the audit period shall be precluded from submitting proposals.

**SUBJECT: PURCHASE AUTHORIZATION LEVELS**

It is the policy of the Organization to establish purchase authorization limits which are consistent with sound business practices. In accordance with this policy, the following schedule of authorization levels has been established:

DEPARTMENT HEADS may authorize purchase of goods and services up to a limit of 1/12th of the budgeted line item amount, not to exceed $500 per purchase.

DEPUTY DIRECTOR may authorize purchase of goods and services up to the organization-wide budgeted line item amount, or $10,000, whichever is less. All purchases over $5,000 must be reported to the Executive Committee at the next scheduled meeting.

CLARIFICATIONS:

1. Nothing in this policy shall be interpreted to change the check signature authorization levels.

2. Authorization limits pertain to single purchases.

3. The authorization levels required for lease approvals shall be determined by the total amount obligated for the term of the lease.

4. All contracts which involve the expenditure of funds fall within the purchase authorization levels of this policy.

5. The Controller may veto or defer any expenditure on the basis of cash flow.

6. Deputy Director may veto or defer any expenditure on the basis of any reason.

**SUBJECT: GUIDELINES FOR MAKING LARGE PURCHASES/CONTRACTS**

It is the policy of the Organization to use the purchasing or contracting process which is most convenient, efficient, expeditious, and conductive to a standard of quality. When making large expenditures, or large purchases, renovations and other such items. Although economy is always a major consideration, the Organization need not always choose the least expensive course, if this is not consistent with other more desirable factors.

**SUBJECT: PURCHASING: LEASEHOLD, IMPROVEMENTS, RE-MODELING, MAJOR REPAIRS**

Every major repair, leasehold improvement, remodeling, and construction venture must be pre-approved by the Executive Director before it is ordered or carried out. Only emergency repairs, such as those that place in jeopardy the life or safety of the staff or clients may be authorized by other than the Executive Director or Deputy Director.

Because of the demands of cash flow, even approved capital outlays cannot be carried out without specific authorization. In order to assure that approved funds are not expended without proper authorization, and to assure compliance with regulations, the following procedure is to be observed:

a. The Deputy Director shall review each request for leasehold improvements, remodeling, minor construction, or major repair/construction from the standpoint of:

1. Health and safety issues
2. Licensing and permitting issues
3. Efficiency issues.
4. Other qualitative issues

b. The Deputy Director will approve or disapprove the request and pass it on to the E.D. for comments, discussion, and approval as to substance.

c. The E.D. shall approve or disapprove the project, and pass it on to the Controller for approval as to:

1. Status of authorization
2. Availability of funds

Any of the above may disapprove a project on the basis of it not having been pre-planned, and require justification as to why an unplanned project has taken precedence over a previously planned project.

d. Once the project is approved and authorization to spend has been given by the Controller, the Deputy Director shall coordinate the project, although the actual work may be delegated to department staff.

3. Contingencies

In recognition of the fact that events can occur which will require or make desirable the consideration of unplanned projects, the CONTROLLER will periodically review the budget with an eye toward determining whether funding is available for previously unplanned items, or whether new grants received require mid-year planning processes.

4. Board Approval

The Board of Directors must approve any project which is over the amount of $25,000 even when the item has been included in the budget which the Board has already

approved. Therefore, time must be allowed for the process of obtaining Board approval, and must be anticipated and planned for.

All individual projects under the amount of $25,000 which are in the approved Organization wide budget, or their financial equivalents, may be approved by the Executive Director.

5. Commitments and Contracts

The Executive Director and Deputy Director are the only staff members who are authorized by the Board of Directors to sign binding contracts.

**SUBJECT: APPROVAL OF FUNDING CONTRACTS**

Background and Definition

Funding contracts are defined as contracts in which an outside entity and the Organization enter into an agreement whereby the Organization provides services in consideration for receiving funds. All of the Organization's funding sources such as State of California, Contra Costa County, City of Richmond, Department of Housing and Urban Development, Department of Labor, as well as other funding agreements, are included in this definition.

If the total annual funding amount for a funding contract is $500,000 or less, the Executive Director or Deputy Director is authorized to execute the agreement on behalf of the Organization.

If the total annual funding amount for a funding contract is over $500,000, the approval of the Board of Directors is required. At the time such board approval is obtained, the authorized signators will be identified based on the requirements of the funding source.

Such board contract approvals will be made through formal Corporate Resolutions.

Contract Amendments

Amendments to contract over $500,000 may be made by the Executive Director or Deputy Director who is thereby acting on behalf of the Board of Directors provided that:

a. the original contract was initially approved by the Board of Directors as required above, and

b. any such amendments are reported to the Board of Directors at the next scheduled board meeting.

c. any significant changes in the language or scope of the contract shall , prior to their Amendment by the Executive Director, be reported to the Executive Committee and shall be subject to that Committee's approval. The term "significant" shall mean a

change that, in the opinion of the Executive Director, alters the meaning or scope of the contract.

**SUBJECT: RETENTION OF RECORDS**

FISCAL RECORDS:

Financial records and all records necessary to document expenditures; income, and assets must be kept five years, however for major assets, as long as the asset is owned. If any litigation etc. were initiated prior to the five year limitation, records must be kept until the resolution of all issues arising from these actions.

PROCESS:

1. If any funding source or governmental regulation requires addition retention periods, these requirements will supersede this policy.

RESPONSIBILITIES:

In order to comply with the above-stated Retention of Records Policy, the following procedures will be enacted:

1. The five year retention period to be used will include the five full years subsequent to the creation year. For example, records created in 2003 would be retained for 2004, 2005, 2006, 2007, and 2008 (discarded in 2009).

2. The following type fiscal records are to be maintained:
   a. General Ledger
   b. Subsidiary Ledger
   c. Transaction Listings
   d. Bank Statement and Reconciliation
   e. Account Payable - Vendor Files
   f. Payroll Ledgers, time sheet and other payroll documents
   g. Cash Receipts Deposit documentation
   h. Reimbursement Request documents for other reimbursement Contracts
   i. Funding Contracts
   j. Audit Report
   k. Federal and State Taxes Return
   l. Insurance Policy

3. Records for the two prior fiscal years will be retained on site. Records for other periods may be retained off-site. Records shall be placed in storage boxes labeled as to contract source and fiscal year.

CARE, CUSTODY AND CONTROL OF RECORDS - FISCAL:

The Controller shall be responsible for the Care, Custody, and Control of all records discussed in this policy; and will make sure that storage areas for record retention are properly ventilated, dry and secure. On a periodic basis but at least semi-annually the Controller must inspect the storage areas to assure continued compliance.

ADMINISTRATION:

Administration records including correspondence, records and memos from the files of the Executive Director, Controller, Deputy Executive Director, and other Administrative Management Staff are to be retained for 5 years following the fiscal year in which they were created.

PROCESS:

Files and records for the 2 year prior to the current fiscal year may be retained on site. Records for other periods may be stored off site. The records shall be placed in storage boxes labeled as to content, source, and fiscal year.

CARE, CUSTODY AND CONTROL OF RECORDS - ADMINISTRATION:

The Office Manager shall be responsible for the Care, Custody, and Control of all records discussed in this policy. The Office Manager will make sure that storage areas for record retention are properly ventilated, dry and secure. On a periodic basis but at least semi-annually the Office Manager must inspect the storage areas to assure continued compliance.

PERSONNEL RECORDS

Personnel Records of terminated employees must be retained for 5 years after the fiscal year in which termination occurred.

PROCESS

Files and records for the 2 years prior to the current fiscal year may be retained on site. Records for other periods may be stored off site. The records shall be placed in storage boxes labeled as to content, source and fiscal year.

CARE, CUSTODY AND CONTROL OF RECORDS - PERSONNEL

The Office Manager shall be responsible for the Care, Custody and Control of all records discussed in this policy. The Office Manager will assure that storage areas for record retention are properly ventilated, dry and secure. On a periodic basis but at least semi-annually the must inspect the storage areas to assure continued compliance.

Method of Record Destruction

The following levels of controlled record destruction are to be used when outdated records are to be destroyed:

1. Client Records and any other records described as confidential are to be shredded internally.

2. Personal Records and Financial Records are to be shredded internally.

3. All other items can be discarded by placing them in trash bags, tied and put into the recycling containers.

**SUBJECT: CITY, COUNTY REVENUE:**

The above range of accounts is assigned to Revenue Contracts from Government Agencies. While the nature of such contracts may change from year to year, the following accounts have been assigned during the current period the current listing includes:

List:

**SUBJECT: PROCESSING OF DONATIONS AND CONTRIBUTIONS TO THE ORGANIZATION**

When any person or organization makes a donation or contribution in cash, check or in-kind to the Organization, regardless of the program for which it is intended, the Controller is to be given the donation, or in the case of in-kind contributions, must be notified in writing of the donation.

The individual receiving the donation is to prepare a Receipt for Donation or Fund-raising Solicitation Form (receipt form) for all of the following type items.

a. Cash
b. Supplies
c. Food
d. Tickets to events
e. Equipment and furniture
f. Gifts for clients
g. Books and magazines
h. Videos, records, tapes, etc.

Fund-raising

The receipt form is also to be used for acknowledgment of fund-raising solicitation receipts.

Name of Donor

Since we will be acknowledging in writing all donations and fund-raising contributions complete the donor name and address section with as much detail as possible.

Received By

The individual receiving the goods or cash must sign the receipt form, date, and for non-cash item, use the donor's estimate for the value (amount) of the items donated.

Type of Receipt

Unless a specific fund-raising solicitation is underway, most contributions will be considered as "Donation".

Whenever a fund-raising solicitation is underway, the Controller will be notified. Therefore, if in doubt as to the type of receipt, contact the Controller.

Usage

Unless the donor specifies a restriction of the donation usage, mark "non-specified". Otherwise, obtain the donor's request and indicate the name of the benefiting program designated by the donor. Also determine from the donor if the donation is for client use only.

Comments

Indicate in the "Comments" section, the description of non-cash items as well as any other notation that would be helpful in evaluating the donation.

Processing of Receipt Form

After completing the receipt, give a copy to the donor.

Copies of all receipt form must be given to the Controller, who will determine that the coding is correct and will cause a thank you letter to be sent to the donor.

Internal Process (Administration)

Within one week of receipt, the Office Manager is to write a thank you letter to the donor using the standard approved format (See Sample).

The Office Manager is to maintain a donation log on a calendar year basis listing the items of information contained on the receipt.

As a back up to assure that all donations are being reported, the Controller will review the posting to the contributions, donations, and fund-raising accounts each month to verify that these activities have been reported under this directive.

Donations of Capital Equipment and Small Office Equipment

Furniture and equipment with a value new of at least $25 but less than $500 are classified as small office equipment.

Furniture and equipment with a value new of $500 or more are classified as Capital Equipment.

In addition to the procedure described above, donations of Capital Equipment and Small Office Equipment will require additional accounting treatment.

**SUBJECT: SELECTION OF BANKS**

The selection of banks and type of accounts to be used for the funds of the Organization shall be the exclusive right of the Board of Directors.
Special Instructions: All Organization Checks require two signatures, one of which must be an officer of the Board of Directors and the other the Executive Director or Deputy Director.

**SUBJECT: PAYROLL**

It is the policy of the Organization to pay employees on a bi-weekly payroll cycle and to establish procedures to assure that hours worked are recorded and reported properly. Further, payroll controls should be established to assure the propriety and validity of all individuals receiving payments.

PROCESS:

A. Pay Periods

The bi-weekly payroll period shall be for a fourteen-day period commencing on a Monday and concluding on a Friday two weeks hence. The payroll pay date shall be the Wednesday after the concluding Friday of the payroll period. In the event that a pay date occurs on a legal holiday, payment may be made on the last workday prior to the holiday(s).

B. EZ Labor Electronic Timesheet
Each Employee will record daily activities on the EZ Labor Timesheets. Supervisors will review all timesheets for accuracy and completeness and verify the entries prior to submission for data input. Time associated with specific project will be indicated by account and project code established by EZ Labor. Accounting Clerk will enter the timesheets to ADP payroll system on biweekly basis.

Reporting Paid and Unpaid Absences and Benefits

In addition to hours worked, the Time sheets should contain any hours of paid or unpaid absences. (See Personnel Policy Manual for eligibility and type of absences and benefits available).

Such absences and paid benefits must be authorized by the supervisor using the Advance Authorization which is to be attached to the applicable time sheet for processing. A separate authorization must be completed for each pay period even if the time off is consecutive such as vacation. For example, a vacation or other absence that extends over two pay periods must be authorized on two separate Advance Authorization forms, each covering the dates of the applicable pay period.

The following codes are to be used on the Time sheets to indicate the type of non-worked hours being reported and should be recorded in red ink:

Leaves of Absence

The Personnel Policy Manual allows employees to request leaves of absences for extended periods of time. Whenever such absences are granted, the employee may have a considerable number of unpaid days included in the leave of absence. In order to simplify the time sheet reporting process, the following exception to the Advance Authorization request and time sheet recording is being made.

a. Whenever there are no paid hours to be reported for an absent employee on authorized leave of absence, Advance Authorization forms do not have to be submitted with each time sheet. The supervisor should write across the entire 14 day period of the time sheet on the line, for the employee involved, "Leave of Absence".

b. However, if any paid hours are included on the time sheet in any pay period, then the remaining work days must be accounted for thru the Advance Authorization form as described above. If the paid hours are non-worked hours, these must also be included and explained on the Advance Authorization form.

Submitting Time sheets

Employees are required to complete EZ Labor Timesheets no later than 10 AM on the Monday following the conclusion of the pay period. If the Monday is a Holiday, special instructions will be issued covering the reporting requirements.

The Time sheets must be approved by each employee and by the supervisor.

Advance Authorization forms must be attached for any non-worked hours included on the Time sheets.

If employees are not available to sign Time sheets, supervisors are to process the Time sheets as required. Employees must be informed that they must go to the Accounting

office to sign their Time sheets and that the employees will not receive their paychecks until the Time sheets are signed.

In order to accommodate a few exceptions, such employees will be allowed to sign the Time sheets prior to the conclusion of the pay period so that the Time sheets can still be processed on time.

In so doing, some hours reported may be estimated based on scheduled work. It will be the responsibility of the supervisor to subsequently verify that the estimated hours were actually worked or an amended time sheet was prepared and submitted.

Distribution of Checks

The Controller will verify the accuracy of paychecks, including the accuracy of the direct deposit of net pay amounts. The Payroll Office shall deliver the paychecks to the Controller for distribution to employees.

a. If the employee is on an approved absence or vacation on the dates when the Time sheets are signed and when the payroll checks are distributed the employee may request, in writing, to the Accounting office that his paycheck be mailed or given to an authorized party. However, upon return to work, the employee must sign the previously unsigned Time sheets before the next paycheck can be issued to him.

b. If the employee is unable to come to the Accounting office to pick up his paycheck due to unusual circumstances such as illness and/or hospitalization, and the absence is not covered by an approved Advance Authorization (covered by (a) above), the employee may request in writing that his paycheck be mailed or given to an authorized party. Such request must be approved.

**SUBJECT: PROCEDURE FOR ADVANCE AUTHORIZATION FOR OVERTIME AND EXTRA HOURS WORKED**

General:

Non-exempt employees are not authorized to work overtime or extra hours without the prior approval of their supervisor. To assure compliance to this Policy, and to evidence prior authorization, the following procedures are to be followed:

Procedure:

Whenever a supervisor is to authorize overtime and/or extra hours to be worked by an employee, the supervisor must prepare an Advance Authorization for Overtime/Extra Hours.

This Advance Authorization form can be held for the entire pay period and submitted to Payroll Office with the time sheets.

Completion of the Form:

* The name of the staff member who is to do the work and that person's employee number are listed in the applicable section of the form.

* The date the work is authorized, the authorized hours to be worked and the reason for the work shall be indicated in the appropriate column. Completion of the next two columns will depend on the type of work and condition.

a. If the staff person is working extra hours in his/her own job, both the employee number covered and the position number charged will be the same as the staff member's own position number. (However, see Overtime Exempt Section for Exception).

Overtime Exempt Employees:

Employees who are overtime exempt are not paid for extra hours worked since their salary and position generally have taken these factors into consideration.

**SUBJECT: PROCEDURE FOR ESTABLISHING PERSONNEL EMPLOYEE NUMBERS**

All work positions in the Organization must be authorized by the Executive Director before anyone can work. This includes voluntary subsidized positions, students and other non-paid positions as well as all regular paid positions regardless of method of payment.

Departments

A Department is an accounting designation that is used to identify and accumulate expenditure categories (costs) for activities of a like nature or activities that are defined by the Organization management as appropriate for such treatment.

The Organization's accounting system is also set up to capture expenditures on a Department basis.

The Controller has the responsibility to establish Departments and to assign Department numbers.

Each Department is assigned a unique two-digit number for identification and control.

**SUBJECT: JOB DESCRIPTIONS**

Each job position shall have a correspondent job description. Each employee shall receive a copy of the job description for his position upon being hired, and when changes are made to the job description. It is the responsibility and right of management to change job descriptions as the requirements for work in a position change.

The Deputy Director shall receive input and hear recommendations from Department Head about the adequacy of current job descriptions and authorizes changes and shall supervise the integrity of the personnel files in this regard as well as in other areas.

Department Head shall receive input from supervisors and other staff about adequacy and currency of job descriptions and make recommendations to the Deputy Director for changes. The Department Head shall review the adequacy of job descriptions at least once a year and discuss changes with affected employees and provide training if needed.

Supervisors and other staff shall bring to the attention of Department Head perceived need for changes to the job description and in performance required by changes in the job description.

Office Manager shall Implement the procedures as described below.

Procedures for Making Changes to Job Descriptions:

1. The changes made are submitted to the Deputy Director for approval, with a copy of the old job description attached.

2. If the Deputy Director approves the changes, then it is reviewed and approved by the Executive Director before final typing of the new job description is done, and the amended job description is entered into the computer disk labeled "Job Descriptions

3. The amended Job Description is marked "Obsolete" and dated with the date when the new job description is effective.

4. The Office Manager marks "obsolete-and the date" on all of the job descriptions contained in the personnel files of employees currently employed who occupy that job position. The obsolete job description stays in the employee's file. Issues each affected employee a copy of the new or amended job description. Places new job descriptions in each personnel file. Place a copy of the obsolete job description, properly marked, in a hard copy file. Purges all supplies of obsolete job descriptions, and assures that new hired and/or rehired employees receive the current one.

NOTE: The computerized file of Job Descriptions will contain only the updated versions of the job descriptions. To review old job descriptions, the hard copy file must be examined. When a job description is being entered into the computer files, it must be dated with the date of the new version.

**SUBJECT: LOANS, LINES OF CREDIT, AND OTHER ENCUMBRANCES**

All loans, lines of credit, and/or other encumbrances incurred by the Organization must be approved by the Board of Directors. The Executive Director or Deputy Director and one officer of the Board are authorized to sign such documents of indebtedness.

PROCEDURE:

From time to time, the financial needs of the Organization may require funds thru loans, lines of credit, and/or other encumbrances.

When such circumstances occur, the Executive Director or Deputy Director shall present the request for such funding to the Executive Committee of the Board of Directors for evaluation. The Executive Committee shall submit the request to the Board of Directors and shall include the committee's recommendation for approval or disapproval.

Use of Lines of Credit: When Board approved, and a Line of Credit is obtained, the manner of drawing down funds is as follows:

a. The Executive Director or the Controller shall determine the amount of funds needed and shall prepare a Request for Funds as required by the bank. The Request for Funds shall be signed by the Executive Director or the Deputy Director and one Officer of the Board of Directors.

b. Copies of all such Request for Funds will be forwarded to Controller who will oversee the transfer of funds and record the appropriate accounting entries.

**SUBJECT: INVESTING OF CASH**

Whenever the Organization's cash funds are in excess of current cash needs, it is the policy of the Board of Directors that such excess funds be used to pay down indebtedness where applicable or be deposited into interest-bearing Money Market Account (s). Such Money Market Accounts shall be selected by the Board of Directors as per policy.

Revolving Line of Credit

Whenever Revolving Lines of Credit are in force and indebtedness exists, excess cash should be used first to pay down such indebtedness whenever possible.

In order to minimize interest expense by paying down such Revolving Lines of Credit, the Executive Director or the Deputy Director are authorized to transfer funds between the Organization's Revolving Line of Credit and its Commercial and/or Money Market Accounts by telephonic transfer.

Control Over Telephonic Transfers

Each such telephonic transfer shall be evidenced by a written authorization signed by the Executive Director or the Deputy Director and forwarded to the bank with a copy sent to the Treasurer of the Organization.

The bank shall be instructed to issue debit and credit advices evidencing these transfers and also shall be instructed to acknowledge in writing the limits of telephonic transfers as discussed above.

**SUBJECT: CASH FLOW FORECASTING**

Background

Cash management begins and ends with good planning. While it is a policy of the Organization that operating budgets be balanced as to revenue and expenditures, the timing of these activities can cause great fluctuations in the cash position. Therefore, cash flow forecasting is a vital tool in the cash management system.

Responsibility

While the operational responsibility for cash flow forecasting rests with the Executive Director, the actual preparation and monitoring of cash flow forecasts is delegated to the Controller.

Forecasting

Cash flow forecasting shall be updated on a monthly basis and shall be in sufficient detail to identify sources of revenue and expenditures for monitoring and planning.

Each month, the prior month's actual revenue and expenditures will be posted to the forecast. In so doing, the results for the periods prior to the current month will reflect actual activities.

Input estimates for the forecast are obtained primarily from the Organization's operating budget. However, off-budget items such as payments on capital leases, payments on long-term obligations, bank loans and repayment of same for short-term cash flow purposes, and accounts payable and accounts receivable from prior periods are also factored in to the forecast. Uses of the Forecast

There are several uses for the cash flow forecasts including:

a. Cash deficits: Being able to predict periods of cash deficits is one of the primary purposes of the forecast and it's a critical function in cash management. The annual forecast done prior to the fiscal year helps to pin point deficit periods and is used to determine if, and what type, of short-term borrowings are appropriate. In addition, expenditure plans can be altered when cash deficit periods are anticipated. Also,

funding sources can be contacted to request assistance to move up payment schedules.

b. Cash Excess: Especially vital in Cash Management is the ability to predict periods of excess cash. With such information, management can determine the best use of such excess funds. .

**SUBJECT: PETTY CASH FUNDS**

The establishment of a petty cash fund requires the prior written approval of the Executive Director/Deputy Director and the Controller. This approval can be evidenced on the check request that establishes the fund.

The custodian of the petty cash fund must be a different person from the one who approves the fund reimbursement.

PROCEDURES

One person is to be identified and is responsible for care, custody, and control of the petty cash fund. All reimbursement checks are issued in the name of the custodian of the petty cash fund, i.e.; Jane Doe, Petty Cash. The custodian is responsible for maintaining the funds in a secure place especially after hours. For funds under $100. $300 and under, a locked file cabinet or locked desk is acceptable for storage of the fund. For funds of $100., and over $300, a safe is required.

All disbursements from the petty cash fund must be evidenced by signed receipts, which identify the items purchased, the amount, and the department to be charged, and shall be recorded on an expense voucher for each item of disbursement.

The petty cash fund cannot be used to make personal loans or to cash personal checks.

PETTY CASH REIMBURSEMENT AND FUND RECONCILIATION FORM:

Reimbursement of the petty cash fund shall be submitted on the "Petty Cash Reimbursement and Fund Reconciliation Form".

In the Reimbursement section list each item of expenditure showing amount and type of expense and the department to be charged. The total of this list is to equal the amount of "disbursement receipts" in the Reconciliation Section. Leave the account code column blank, this will be posted by the Accounts Payable Clerk. Receipts must be attached to the form in a secure manner, preferably in a sealed envelope so that access to the receipts can be obtained without destroying the receipt.

In the Reconciliation Section, list the detailed count of cash on hand where it says "Cash Count", the total amount of "petty cash vouchers" (for cash\receipts in transit) and the total amount of disbursement receipts. The total of these three items should be

equal to the total "Fund Amount". Any difference between the Reconciliation Total and the Fund Amount should be listed in "over (short)".

NOTE TO ACCOUNTS PAYABLE: After receipts are verified to the Reimbursement Form, each receipt must be stamped "PAID" so that it cannot be used for subsequent reimbursement.

Timing of Reimbursement

Petty cash funds should be established at an amount equal to at least 2 weeks cash needs. Reimbursement requests should be made each Friday or whenever the fund is close to 50% exhausted, since the reimbursement check will not be received until the Friday following the week in which requests were received in Accounts Payable.

It is the responsibility of the petty cash custodian to plan ahead and to request reimbursements with sufficient lead time to prevent cash deficiencies.

Cash Losses:

The custodian of the petty cash fund is responsible for the fund and any losses that occur, unless extenuating circumstances, such as burglary of secured funds, exist. In such instances written statements of the facts, police reports and other documentation must be approved by the Executive Director before reimbursement is allowed from Organization funds.

Changes in Custodian:

Whenever a change of custodian is to be made, petty cash reconciliation is to be completed. A statement should also be included on the reconciliation indicating that the new custodian accepts the fund as reconciled. Both prior and new custodian should sign. Each should receive an original signed copy and another original signed copy should be sent to the accounting department. This should be done even for short transfer periods such as vacation or leaves.

Controls: The accounting office must maintain a file of current petty cash custodians, with signed evidence of responsibility.

On an unannounced basis, at least once a year, the accounting office must conduct a petty cash count and reconciliation to the General Ledger.

In analyzing the petty cash funds, accounting office is to determine if the amounts are appropriate for the activities involved. Recommendations to the Controller should be made if adjustments are required.

Supervisors of petty cash custodians are to reconcile the petty cash fund on a monthly basis each time reimbursement is requested on the Petty Cash Reimbursement and

Fund Reconciliation Form and submit evidence of such reconciliation to the accounting department.

**SUBJECT: A/R - GOVERNMENT**

This account is a control account that is used to record in total the amounts due from various Government Agencies. In addition, a subsidiary ledger is to be maintained for each of the specific other governmental contracts.

PROCESS:

1. In general, this account will be used to control amounts due from contracts with governmental agencies. Usually, all these funding sources support specific services based on proposals and expenditure budgets approved in contractual form. Also the approved budgeted expenditures are reimbursed after actual disbursements are made by the Organization.

RESPONSIBILITIES:

Each month, the subsidiary ledger shall be reconciled to this General Ledger Control Account. The reconciliation shall contain information having the outstanding amounts and the Service dates involved for each of the subsidiary accounts.

**SUBJECT: A/R - MISCELLANEOUS**

This account will be used to record amount due from any entities not covered by other receivable accounts.

PROCESS:

Billings to other agencies are on an occasional basis when a continued relationship does not appear likely, and other, such activities will be recorded in this account.

RESPONSIBILITIES:

1. Again, a detailed subsidiary ledger will be maintained for each of their billing and monthly detailed reconciliation to the General Ledger Control Account will be made.

**SUBJECT: SECURITY DEPOSITS ACCOUNT**

This account is to be used to record payments made for security deposits such as leases, utilities, etc. The distinguishing point is that the disbursement is not an expense but is being held by outsiders as security against possible future expenses or to be

applied to future purchases. Often these payments are held for a long term and interest is sometimes earned.

This account must be analyzed each month by the Bookkeepers, who will prepare a detailed listing showing payee, check number, date, amount, and purpose for the security deposit.

**SUBJECT: ACCOUNTING FOR PROPERTY: PURCHASES, TRANSFERS, DISPOSITIONS, ETC.**

Definition:

A. Property includes all office furniture, equipment, electronic departments such as calculators, Copier machines, and other tangible assets. These assets (property) are capital assets if the department cost is $500.00 or more. If under $500 they are classified as small equipment, provided that the department price is at least $25. If under $25, the item is classified as supplies.

Procedure:

Since capital assets ($500 or more) may require prior written approval from funding sources before expenditure can be made, preplanning of these expenditures is mandatory. Usually, request for such capital asset purchases are to be submitted during the budget process. When actual purchase is requested, the Department Head is to complete a Request for Authorization to Expend Funds. The form is to be submitted to the Executive Director for approval and processing. Approved requests become purchase authorizations. If special bidding or solicitations/quotations are to be obtained, Purchasing Policy guidelines are to be followed. When items are purchased, approved invoices and all appropriate documentation is to be submitted to Accounts Payable, along with a copy of approved request.

ACCOUNTING PROCEDURES:

Invoices will be coded as capital assets or small equipment as applicable. On a monthly basis, the Bookkeepers will schedule (list) all entries for the month and update the fixed asset schedule. Also, the Bookkeepers will assign a CHDC Inventory Control Number (sticker) and will be responsible for having the sticker placed on the item. Please note that all items inventoried as capital assets or small equipment shall be assigned to an individual in addition to the Department identified. If an item or equipment is for common use, someone shall be assigned "care, custody and control" of the item. That person's name will be included in the inventory record. In the event no one is so assigned, the Department Head will be identified as the responsible party.

Discarding of Property: When property is either no longer needed by the Department and transfer to another department is not appropriate and/or when property is no longer functional, a transfer form should be prepared describing the facts and sent to the

Controller. The Controller will review the request with the Executive Director and a decision as to disposition will be made and notated on the transfer form.

Note: If property was purchased with Federal, State or County funds, approval from these agencies may be required prior to disposition. In addition, all dispositions of capital equipment and all adjustments to the Fixed Asset Account must be approved by the Executive Committee in advance. When disposition is completed, the transfer form is sent to the Bookkeepers for recording.

E. Sale or Donation of Property: Sale or donation of property can only be made with the prior written approval of the Executive Director. In addition, all dispositions of capital equipment and all adjustments to the Fixed Asset Account must be approved by the Executive Committee in advance. A transfer form would still by prepared describing the circumstance involved. Approval of the Executive Director as to propriety and of the Controller Services as to process will be required. Upon completion, the transfer form is sent to the Bookkeepers for recording.

Note: If property was purchased with Federal, State or County funds, approval from those agencies may be required prior to disposition.

Valuation of Donated Equipment

Whenever anyone offers to donate property or equipment to the Organization, the Controller should be notified. A decision will be made as to acceptance and an individual will be assigned to coordinate the receipt of the property or equipment. The coordinator will prepare detailed documents describing the goods and indicating the condition.

The documentation will be forwarded to the Controller who will be responsible for assigning a value to the items involved.

Establishing Valuations

The Controller will obtain comparable prices (new) for the donated items and will depreciate the values to an amount consistent with the remaining use life of the item.

The following use life will be used as a guide:

| | |
|---|---|
| Office Furniture - | 5 years |
| Office Equipment - | 5 years |
| Other Furniture - | 5 years |

Recording Donated Equipment

The Controller shall indicate the valuation to be used on the Donated Equipment Form (price new) and forward the Form to the Bookkeepers, who will record the transaction on the Fixed Asset Input Form, tag the asset and enter the data to the Fixed Asset Ledger. Code the input form under conditions as used and Funding Source as #5

Donated. At the same time, the CONTROLLER will issue a journal entry to the Accounting Department to record the transaction.

The entry will be as follows:

Debit: Property & Equipment (as applicable)
Credit: In Kind (donated) Revenue

A companion entry will also be made to record depreciation as follows:

Debit: Depreciation Expense
Credit: Accumulated depreciation to reflect est. depreciation of donated equipment to arrive at remaining value.

The items will be included on the Depreciation Schedule with like item of similar remaining use life.

For example, if a copier was donated to the Organization and was determined to have a value new of $10,000 and two years remaining use life, the entry would be:

**SUBJECT: ORGANIZATION PROPERTY ASSIGNED TO EMPLOYEES - PROPERTY**

Definition:

Assigned Property refers to Organization property that is given to employees in connection with their work and may from time to time be removed from the Organization premises.

Such items may include keys, manuals, office equipment, computers and computer terminals, cell phones, automobiles, etc.

The above are differentiated from office equipment and property which may be used by the employee and is not authorized to remove such items from the Organization premises.

Procedure:

All assigned property must be acknowledged in writing as received by the employee and authorized by the Organization using the Assigned Property Document.

Department Heads may authorize assignment of property up to a value of $500. Over this amount requires the approval of the Deputy Director.

Completed Assigned Property Documents are to be distributed as follows:

The original to the Personnel office for filing in the employee's personnel file.

One copy to the Property Accounting office, if item over $25

One copy to the employee

Return of Property

In the event the employee is requested to return the property or desires to return the property previously assigned, the authorized representative of the Organization should obtain a copy of the Original Assigned Property Document from the Personnel office and should verify the propriety of the items being returned.

A new Assigned Property Document should be prepared and on the line entitled "Property Assigned to" cross thru and write "Property Received from". The authorized representative should date and sign for each item listed and should explain the reason for return in the "Comments" section.

Distribution of the form is the same as the original.
Termination

**SUBJECT: CAPITAL PROJECTS**

The Capital Projects accounts are to be classified as part of the Fixed Assets for Balance Sheet presentation.

PROCESS:

1. These Capital Projects accounts are to be used to record all expenditures made for special projects that have been identified for specified Capital Funds. In this way, all expenditures will be captured in one account so that accountability of disbursements may be more easily made.

RESPONSIBILITY:

1. Each month a detailed analysis will be made and updated that will include check copies and will identify check #, date of expenditures, amount, payee, and type of expenditures, and will be reconciled to the applicable General Ledger Account.

2. When projects are completed the amounts accumulated in the Capital Projects Account will be re-distributed to the appropriate Fixed Asset and/or expense accounts.

SUBJECT: Accounts Payable

General

As compatible elements of the Accrual Method of Accounting, expenses are to be recorded when incurred. For this to be accomplished, invoices for goods and services are to be recorded in the benefiting month. Also, the liability incurred when goods and services are obtained, must be reflected in the books and records of the Organization.

Policy

To accomplish these objectives, it is the policy of the Organization to establish a system to record expenses in the benefiting month(s) and to record liabilities for these goods and services in the month in which the liability was incurred.

Procedure

Each day invoices are received and forwarded to the Accounts Payable clerk. These invoices are gathers in a grouping of "work to be processed": In addition, requests for disbursements are submitted by department heads and authorized managing staff, either with approved invoice for services or a Check Request with other supporting documents. These also are gathered into the grouping of "work to be processed."

Processing of Invoice and Check Request

The first step in the process is to verify that the invoice, as requested, is not a duplicate by verifying the invoice to the vendor's accounts payable file. If it is a duplicate, the vendor and/or the requester will be notified and the invoice/request will be disregarded. If the invoice/request is not a duplicate, the document will be stamped with the Accounts Payable stamp:

The Accounting Clerk will indicate that the invoice has been verified (not a duplicate) and calculation have been verified.

Purchase of goods will require a receiving document to be signed and dated by the individual that actually reviewed and verified the items; this is usually the purchasing location. Such evidence of receipts are brought to the Accounts Payable clerk for subsequent verification to the vendor's invoice.. The "receipt" line on the Accounts Payable stamp may be cross-reference to the receiving documents or the receiver can also date and initial the A/P stamp. All other invoices for which Receiving Reports are not created, must be initialed and dated.

All invoices over $1,000 submitted for payment including subcontracts and requests for checks, will be reviewed and approved by the Controller. All invoices up to $1,000 submitted for payment including subcontracts and requests for checks, will be reviewed and approved by the Department Head if $500 or less or Division Director if $1,000 or less. Evidence of supervisory review and approval shall be adequately documented on all invoices and requests for disbursements.

Disbursements will not be processed unless they are approved by authorized personnel. All disbursements must be supported by original receipt or invoice. In emergencies when service

The due date for payment will be recorded by the individual approving the invoice for payment. If no due date is indicated, meaning that the invoice should be paid in due course, the A/P clerk will schedule the payment for the next available payment cycle.

Invoices can only be approved for payment by individuals who have the appropriate level of authority based on purchasing policy. The invoices will be coded with the Department numbers and general ledger accounts numbers. These are approved either by the purchasing location, the Accounting Manager or the Controller.

After invoices and check requests are verified and approved, the Accounts Payable clerk enters the information to the MIS Accounts Payable Program. Vendors are identified by vendor number. The Accounts Payable clerk assigns vendor numbers in alphabetical and vendor's number order.

Payment of Invoices and Check Requests

For ease of processing, invoices are processed for payment on the Friday closest to the due dates. Before the actual checks are printed, a listing is obtained and verified to ascertain that nothing unusual exists and that cash flow availability is still appropriate.

If any adjustments are required, they are made and the checks are the created. Checks are prepared in triplicate. The original will be sent to the payer, the pink copy will be filed with the invoice in the vendor's file, and the yellow copy is filed in check number numerical sequence.

Before the checks are submitted to management for signature, the control (yellow) copy is removed and retained in accounting.
The check signer will have the original duplicate check and invoice, and other back up data present when signing the checks. Checks are signed by individuals authorized to do so based on the Distribution Policy.

**SUBJECT: ACCRUED LIABILITIES**

GENERAL:

Since the Board of Directors has established that the books and accounts of the Organization shall be maintained on the accrual method of accounting, transactions must be recognized and recorded in the appropriate benefiting period. Likewise, liabilities must be recognized when incurred.

PROCEDURE:

Each month during the month end closing process, the Bookkeepers and the Controller shall review the activities of the period to determine if there are any events that must be recognized through an accrual entry.

Some of the areas of evaluation shall include:

Accrued Payroll - Since the Organization's bi-weekly payroll is paid one week after the pay period ends, and since the pay date will usually determine the month in which the transaction is recorded, there will always be a need to prepare an accrual entry to record the payroll liability for the time worked but not yet paid.

The period of accrual shall include the dates since the last recorded payroll period to the end of the month. For example, if in the month of March the last payroll recorded in the month was for the pay period ended on March 24 and paid on March 31, an accrual would be required for the period from March 25 thru March 31. The amount of the accrual would be an estimate based on the amount and account distribution contained in the last recorded payroll. Even though some departments (Departments) have staff working on week\ends, the payroll shall be considered to cover 10 work days and the accrual estimate will be made for the number of week days contained in the accrual period.

Using the example above, the full two week payroll for the period ended March 24 would be listed showing the amount of payroll charged to each department and total payroll.

Since the pay period always ends on a Friday, we know that the accrual period runs from Saturday, March 25, thru Friday, March 31. As stated above, we shall make an accrual estimate based on the number of week days contained in the accrual period ;i.e., 5 days (Monday, March 27 thru Friday, March 31).

The accrual amount shall be 50% (5 days accrual 10 days full payroll) of the amounts by department contained in the March 24 pay period.

This accrual entry will be recorded in the closing entries for the month of March.

The credit will be to the accrued Payroll Account. However, the debits will be to the "Other Salary" account for each department. We are charging the accrued salary expense to the other "Other Salary" accounts rather than the "salary & wages" account so that the latter will agree with the Labor Distribution Report, which is used as a payroll control by the Department Head. The accrual entry is to be reversed in the following month.

Accrued FICA - In addition to the accrual for payroll as discussed above, an accrual should be made for the employer's portion of the FICA tax applicable to the accrued payroll.

The accrual entry is to be reversed in the following month.

Unrendered Invoices - Whenever there is a reasonable belief that a liability has been incurred but the vendor's invoice has not yet been received, an accrual should be made if the following exist:

a. The amount of the liability can be reasonably determined.

b. The amount of the liability is in excess of $500.

Some transactions that would be considered for this treatment are:

a. Merchandise previously ordered has been received.

b. The delay in receipt of a regular monthly invoice for goods or services still under contract. For example, utility, bills, telephone, rental invoice, equipment leasing invoice, etc.

The accrual entry is to be reversed in the following month.

**SUBJECT: NOTES PAYABLE**

No obligation that results in a long term debt (more than one year) can be incurred without the prior written approval of the Executive Committee if over $10,000, or the Board of Directors if over $25,000.

Procedure:

Each year, the notes payable should be separated between the amount due in the current year and those amounts payable after the current year. The amounts due in the current year will be recorded in account number -Notes Payable-Current. Amount due in subsequent years are to be recorded in Account -Notes Payable-Long Term.

For Balance Sheet presentations, the Notes Payable-Current will be listed as a Current Liability. The Notes Payable-Long Term will be listed as a Long Term Liability.

Accounting:

Each Notes Payable will usually be accompanied by a payment amortization schedule, either for the entire term of the note, or at least, for the current year. If none is provided, the Controller will have one prepared using standard computer Amortization Programs.

Payments are to be set up through Accounts Payable with each payment identifying the interest amount (charged to Account - Interest Expense) and the principal payment charged to Account -Notes Payabale-Current.

**SUBJECT: SALARIES ACCOUNTS (BY DEPARTMENT)**

Compensation paid to the Organization's employees is to be charged to Account Salaries (by Department). This account will be used to record gross salaries for each payroll. Usually there will be two payroll payments per month. Since the Organization pays on a bi-weekly basis, there are 26 pay periods per year. Therefore, in two months each year, there will be three payrolls charged.

It should be noted, however that the salary account is always charged using the accrual method of accounting.

**SUBJECT: VACATION PAY ACCOUNT**

The Vacation Pay expense account is only charged or credited at fiscal year end when the year-end accruals are made to record the liability for earned, unpaid vacation. During the year, vacation payments are simply a part of the regular salaries charged to expense each pay period.

The logic being that budgets for the year are calculated on each individual annual salary. This may be 50 weeks of regular pay and two weeks of vacation or any combination thereof.

However, at year end the liability for vacation pay is calculated for all eligible employees. The Accrual Vacation Account is adjusted to the new liability, increase, or decrease as compared to last year's accrual. The offsetting entry is to this Vacation Pay expense account.

**SUBJECT: PROFESSIONAL FEES**

Professional Fees are expenses made for services of attorneys, auditors, accountants, consultants, and other type professionals that are not employees.

Auditing Expenses for the annual audit of the Organization's Financial Statements The expense is recorded in the year the audit is completed or the year of payment, whichever is earlier. The expense is charged prorated to each Department.

Legal Expenses for attorneys and other legal consultants. Charge to Administration Department, unless otherwise specified.

Other Professional Fees - Expenses for professional fees other than legal, and audit.

**SUBJECT: COMMUNICATIONS:**

The following expense accounts have been assigned to record expenditure pertaining to communication.

TELEPHONE: The monthly telephone bill is analyzed by the Supervisor of the Reception Area, who verifies the charges, especially long distance calls and approves the bill for payment. Distribution by Department is made based on the number of telephones assigned to each Department. In other locations that have separate systems, the Department director is responsible to approve the telephone bill. All approved telephone bills are returned to Accounts Payable for processing.

POSTAGE: The Main Office utilizes the Pitney-Bowes Mailing System with the Postage By Mail Program. The Postage By Mail Program allows the Organization to mail correspondence using the metered mail machine. Postage Deposits in increments of $400.00 are paid to the Pitney-Bowes System. As the meter reading gets down to below $400 (Starting form $800), a deposit is made. The charges are allocated to all departments equally, since the amounts are too small for a more exact allocation basis.

Cell Phones: Certain positions need to be on call at all times. These employees are authorized to obtain a cell phones; however, all requests and leasing of cell phones must be handled by the Controller. Those Departments obtaining cell phones will be charged for the cost in this Acct.

**SUBJECT: PRINTING AND REPRODUCTION**

The following expense accounts have been assigned to record expenditures pertaining to Printing & Reproduction:

OUTSIDE PRINTING: All arrangements to obtain outside printing of forms, brochures, reports, documents, manuals, etc must be approved in advance by the Controller if the amount exceed the purchase limits of the Department Director and\or the purchase exceeds the Department's budget for this category.

Generally, purchase quantities should be limited to one year usage and may be charged directly to this account at the time of purchase. Departments purchasing outside printing items will be charged at the time of invoice processing.

IN-HOUSE DUPLICATING: The cost of paper and other supplies necessary for the in-house copiers will be charged to this account. Charges to the Department will be based on allocations at time of purchase or quantities specified for the Department, whichever is appropriate. (NOTE: The costs of leasing the copiers are charged to Equipment leasing. Maintenance costs copiers are charged to Repair & Maintenance Equipment).

**SUBJECT: BUILDING RENTAL**

Rental Agreements that commit the Organization to rent payments over several months or years must be approved by the appropriate level of authority based on the total obligation over the full term of the Agreement.

Rental Lease Agreements, with a total obligation of $50,000 or greater must be reviewed by an attorney representing the Organization. While the Board of Directors is not bound to accept the recommendation of the attorney, the meeting minutes in which these decisions are made should reflect the reasons for same.

PROCEDURES:

The lease files are to be maintained by the Controller, who will institute a follow up program to notify the Organization when leases are schedules for rent charge, renewal, or tenants at least 60 days prior to the date necessary for action. Longer lead times may be established when applicable.

In addition, the Controller will develop a detailed rent schedule to be used by Accounts Payable as authorization to make monthly or provide payments. The rent schedule shall include Landlords name, Address, Rental Location Address, Monthly Rental Amount termination Date of Lease.

As changes are made, Accounts Payable will be given written notification in advance. Also, commencing with the month of change, revised Rent Schedule will be issued. As rent payment checks are copy of the current Rent Schedule is to be attached to each check so that the check signers can have evidence that the payment is appropriate.

**SUBJECT: EQUIPMENT RENTAL**

The following accounts have been assigned to record the expenditure for Equipment Rental. As a general rule all equipment rental & agreements must be included in the Department budget and it must be approved in advance by the Controller as well as the appropriate authorized level.

COPIER RENTALS: This account is used to record the rental costs for copiers and copier equipment. As part of the lease negotiation process an evaluation will be made as to the requirement of treating the transaction as a Capital Lease. If so, the full purchase price will be set up as fixed assets and the monthly "lease" payments will be split between purchase and debited to the Capital Lease Account and Interest debits the Interest Expense Account. When in doubt the transaction will be set up as a copier rental and will be re-evaluated at year end audit. The expense will be charged to benefiting Departments on an equal basis, except that the copier cost in the Administration Department will not be allocated, since costs are subsequently allocated.

COMPUTER EQUIPMENT & SYSTEM LEASE: As mentioned above, these leases will be evaluated to determine if they meet Capital Lease Treatment. The expense of

Computer leased equipment & system pertaining to the integrated equipment in other locations tied in to the server will be charged to Administration. Other computer equipment such as PCs and support equipment used in the Organization will be charged directly to such Department.

**SUBJECT: DEPRECIATION AND AUTHORIZATION**

It is the Organization's policy to calculate depreciation and authorization on a straight line method, i.e. the value of the asset is divided by the useful life (in months) and that amount is charged each month equally. Depreciation is an accounting method to write off the cost of Fixed Assets to expense. Authorization is similar but refers to the write off of non-tangible Fixed Assets, i.e. leasehold improvements and other such rights.

The following accounts have been assigned to record the Depreciation & Authorization expense:

| ACCT: | TYPE ASSET | USEFUL LIFE |
|---|---|---|

PROCEDURE:

When Fixed Assets are purchased, the invoices will be coded with the appropriate asset account and the Department. In addition to being posted to the Fixed Asset Ledger, the purchase is also posted to the Depreciation Schedule, maintained by the Bookkeepers, who will calculate depreciation by asset category and Department and prepare monthly Journal Entries.

**SUBJECT: CONFERENCE AND TRAINING**

The following accounts have been assigned to receive the expenditure for Conferences, Including workshops and staff training and development:

Conference Registration Fees- This account will be used to record the Cost of Registration fees for outside conference. It is not necessary to breakout the cost of a lunch which may be included in the fee. However, if room costs are included these need to be separated and changed to Room & Board. .

Staff Training & Development- This account will be used to record the costs of conducting or providing staff training & development, either in-house or outside.

**SUBJECT: PERIODICALS, BOOKS, AND SUBSCRIPTIONS**

This account is to be charged with expenditures for subscriptions to magazines, periodicals, professional journals, books for staff library, and other type of expenditures for Organization-business related education printed material, not intended for staff training. For example cost of workshops given to employees as part of the training would be charged to Staff Training & Development Acct. .

However, a series of book purchased for the Department staff as reference materials would be charged here. If materials are purchased for client's education the cost will be charge to Education Supplies. Video cassettes would be handled with the same distinctions as discussed above.

**SUBJECT: PROFESSIONAL DUES AND MEMBERSHIPS**

This account will be used to record expenditures made to Professional Organizations to which the Organization is a member. Generally, all such memberships must be approved by the Board of Directors as to propriety as well as amount of such dues.

Such Organizations are created to provide members information and resources pertaining to the members business. This is differentiated from payments made to organizations in which an ownership interest is obtained. Expenditures resulting in an ownership interest would be a capital Investment. Unless otherwise directed, all expenditures for professional dues will be made from non-governmental funds, i.e., no federal, state, county, or city funds are to be used. These expenditures will also be excluded from the "Computation of Matching Requirements" schedule reported in the Audited Financial Statements. The exclusion will be labeled as "Non-reimbursable expenses."

Unless specifically authorized, no Department except Administration is allowed to incur expenses for this cost.

**BUDGETARY CHANGES FORM**

TO:

FROM:

DIVISION:_____DATE_____

DEPARTMENT: _____

PROGRAM:_____

CHANGES: (Describe, specifying position number, title, employee name, if applicable, effective date, other, if applicable)

| Pos # or Line # | Category | Amount | Revised |
|---|---|---|---|

TOTAL

REASON FOR CHANGES:

_____

_____

_____

_____

_____

SIGNATURES: DATE:

DEPARTMENT HEAD:_____

CONTROLLER:_____

DEPUTY DIRECTOR:_____

EXECUTIVE DIRECTOR:_____

Note: If these changes affect Personnel, an approved copy of this Budget Change form must be attached to the Change of Status form and/or Authorization to hire form.

# Employee Handbook

Community Housing Development Corporation of North Richmond

*An Equal Opportunity Employer and Provider Since 1990*

(Rev. October 2019)

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# Introduction to the Employee Handbook

This Employee Handbook is intended as a helpful resource guide to the workplace at Community Housing Development Corporation of North Richmond (which will be referred to in this manual as "CHDC" or "Company"). Please take the time to read it and become familiar with its contents. Ask your immediate manager, Human Resources or the Executive Director if you have any questions. This Handbook explains, in general terms, our workplace philosophies and beliefs, and our employment guidelines.

In order for us to make the best business decisions, we reserve the right to add, modify, or eliminate policies and programs, with the exception of CHDC's policy of "at will" employment or other legally required policies or programs. You will be provided with reasonable advance notice of significant changes to employment policies and programs.

This Handbook is not an express or implied agreement or contract of employment for any particular duration of time. It describes CHDC's policies and guidelines on various subjects. Employees may enter into agreements separate and apart from this Handbook, which detail other and additional issues and responsibilities. This Handbook supersedes all prior handbooks, manuals, policies and procedures issued by CHDC, as well as any inconsistent verbal or written statements.

# Equal Employment Opportunity

## 1.0 Equal Employment Opportunity

CHDC is an equal opportunity employer and provider, and recognizes the importance of having a diverse workforce that generally reflects the diversity of the community. Our long-standing policy is to recognize the dignity of the individual and ensure fair and impartial treatment in all of our employment actions without regard to race, color, ancestry, creed, religion, religious creed (including religious dress and grooming practices), sex, gender, gender identity/expression, sexual orientation, national origin, age, physical or mental disability, pregnancy/lactation, medical condition, genetic information, marital or domestic partner status, military and veteran status, or any other characteristic protected by law or regulation. All such discrimination is unlawful and all persons involved in the operations of the Company are prohibited from engaging in this type of conduct. This policy extends to all employment decisions including hiring, placement, promotion, transfer, demotion, layoff, termination, recruitment, pay and other forms of compensation, training and other terms and conditions of employment.

Any employee who believes that he or she has been subjected to discriminatory treatment should follow the complaint procedures set forth in the Prevention of Harassment section below.

## 2.0 Prevention of Harassment

CHDC is committed to providing a work environment that is free of wrongful discrimination and harassment, including sexual harassment. CHDC strictly prohibits harassment on the basis of race, color, religion, religious creed (including religious dress and grooming practices), national origin, age, physical or mental disability, pregnancy/lactation, medical condition, genetic information, marital or domestic partner status, military and veteran status, sex, gender, gender identity/expression, sexual orientation or any other characteristic protected by law or regulation or any other harassment that is severe and pervasive enough to substantially interfere with an employee's work or work environment. This policy extends to all employees, volunteers, clients, visitors, independent contractors and providers of services or products to CHDC.

Unlawful harassment cannot be fully defined in this Handbook, but, in general, it is unwelcome physical, verbal, or non-verbal conduct, based on one of the categories mentioned above, that is severe or pervasive and creates an intimidating, hostile or offensive work environment, or submission to the conduct is made either an explicit or implicit condition of employment or used as the basis for an employment action. Applicable law defines sexual harassment as unwanted sexual advances, requests for sexual favors, or visual, verbal or physical conduct of a sexual nature (which is not limited to sexual desire) when: (1) submission to the conduct is made either an explicit or implicit condition of employment; (2) submission to or rejection of the conduct is used as the basis for an employment decision affecting the individual; or (3) the conduct has the purpose or effect of unreasonably interfering with an employee's work performance or creating an intimidating, hostile, or offensive work environment. Sexually harassing conduct can be by a person of either the same or opposite sex.

Harassment may include, but is not limited to, Verbal: threats, offensive jokes, comments or slurs (including written form via email, texting or other communication media); Physical: impeding or blocking movement, unwelcome physical contact, physical interference with normal work; and Non-verbal: offensive or obscene photographs or pictures, gestures or other displays that degrade or humiliate others. Examples of sexual harassment include, but are not limited to, offensive sexually-oriented kidding, jokes or insults, offensive or unwanted physical contact such as patting, pinching, touching, or brushing against another's body, unwanted flirtation, sexual comments, advances, or propositions (none of which are limited to expressions of sexual desire). If an employee's behavior is harassing, intimidating or disrespectful but is not based upon an individual's protected class or characteristic, it may be considered a violation of this policy if it interferes with another employee's work or creates an abusive working environment.

This policy applies regardless of where the behavior or incident occurs, whether or not the incident occurs on premises owned, operated, or leased by CHDC of North Richmond and whether or not it occurs during working hours.

If you believe you or a co-worker have been or are being harassed, the following reporting options are available:

- If the employee feels comfortable doing so, immediately let the person know that his or her behavior is unwanted or inappropriate.
- If the employee does not feel comfortable doing so, he or she may inform his or her direct supervisor or manager, any manager, the Deputy Director, the Executive Director, Human Resources or any Executive Committee member of CHDC's Board of Directors.
- Employees may also contact and file a complaint with the Equal Employment Opportunity Commission (www.eeoc.gov/employees) or the Department of Fair Employment and Housing (www.dfeh.ca.gov), the government agencies responsible for investigating and prosecuting complaints of unlawful harassment in employment. Your office's bulletin board will have contact information.

Supervisors and managers who receive complaints or who observe or are aware of any harassing conduct must inform Human Resources, the Deputy Director or Executive Director immediately so that the matter can be investigated.

Upon notification to a manager, Human Resources, the Deputy Director, the Executive Director or the Executive Committee of the Board of Directors, CHDC will conduct a prompt, fair, thorough and impartial investigation by qualified personnel that provides all parties with appropriate due process and reaches a conclusion based on the evidence collected. It will be conducted in a manner that is as confidential as possible. All employees are required to cooperate fully with any investigation. The investigation will be documented and tracked for reasonable progress. The company will provide timely notification of the results to the applicable parties.

Based on the results of the investigation, the Company will take appropriate remedial action, as needed, up to and including termination of employment.

CHDC strictly prohibits retaliation against any employee for raising a complaint or concern or against any employee who participates in a workplace investigation, or for filing, testifying, assisting, or participating in any manner in any investigation, proceeding, or hearing conducted by a governmental enforcement agency. If you feel that you are being or have been retaliated against, inform your supervisor, any manager, Human Resources, the Deputy Director, the Executive Director or the Executive Committee of the Board of Directors. In the event that an investigation concludes that a complaint was fabricated for improper purposes, the Company will take the appropriate action commensurate with the finding and its legal obligations.

Keep in mind that the Company cannot fix problems in the workplace that it does not know about. Failure to report inappropriate behavior prevents CHDC from taking steps to remedy the problem.

## 2.1 Disabilities and Job Accommodations

CHDC of North Richmond is committed to treating all employees, applicants for employment, and clients in a manner consistent with good business practice and legal obligations, regardless of physical or mental disability. CHDC will make reasonable accommodations for clients and visitors to use our facilities, for applicants to complete the employment application process, and for employees to perform the essential functions of their jobs.

If you are disabled and need an accommodation to perform your job, notify your manager, Human Resources or the Executive Director and complete an accommodation request form. Upon this written request from you or where the need for an accommodation is received from a third party (authorized by you), is based on observation or occurs at the conclusion of a leave of absence period, CHDC will comply with its legal requirements under the Americans with Disabilities Act, the California Fair Employment and Housing Act and any other applicable law or regulation. The Company will need to determine what accommodation, if any, is reasonable, which includes whether it will cause undue hardship to the company. To make this determination, we will obtain your input as to what you believe is a reasonable accommodation. We will engage in a dialogue with you as we look at various alternatives.

We will usually need medical certification regarding the disability and recommended accommodations, for example, when there is a job-related reason for this information and the disability (or the extent of the disability) is not obvious. Second medical opinions and medical re-certifications may be required. It is your responsibility to ensure that all requested medical certifications are submitted to us. All communications with your health care provider regarding medical issues will be authorized by you, and will be maintained in a confidential manner. Reasonable accommodation determinations will be based upon medical recommendations, and an analysis of the feasibility of the proposed accommodation and whether it will cause the Company undue hardship. Since each job accommodation is unique, certain restrictions may apply, such as requirements regarding additional medical certification or advance notice for absences.

In certain situations, usually to determine if the employee can perform the essential job functions or for the safety of the employee or others, a medical (or fitness for duty) examination may be required. These examinations are conducted for job-related reasons, consistent with our business necessity. Employees are generally provided time off to undergo such an examination.

## 2.2 Open Door

CHDC maintains an open door policy. The open door policy offers employees, volunteers, and consultants an opportunity to interact with management, without fear of repercussion, to express concerns, opinions, suggestions and comments and to resolve a challenge. Employees are encouraged to make suggestions to their supervisor, Human Resources, the Deputy Director or the Executive Director. Employee concerns are addressed in as timely and confidential manner as possible. While the Company provides you with this opportunity to communicate your views, please understand that not every complaint can be resolved to your satisfaction.

## 3.0 Organizational Structure

The Board of Directors of CHDC is responsible for establishing operational policies and employing the Executive Director. The Executive Director is responsible for administering the policies and reports to the Board of Directors. The staff of CHDC is accountable to the Executive Director.

## 3.1 Employment At Will

CHDC employs all employees on an "at will" basis. This means that CHDC may terminate the employment relationship or change the terms and conditions of employment of any employee at any time, with or without notice or cause. Likewise, employees may resign their employment at any time, for any reason, without notice. This status may not be altered by oral statements, longevity of employment, performance reviews, promotions, salary adjustments, or application of disciplinary measures, if any.

No representative of CHDC, other than the Executive Director or Deputy Director, has authority to change the "at-will" employment status of any employee, to enter into an agreement for employment for a specified period of time, or to make any agreement contrary to this policy. Even then, any such agreement must be stated expressly, in writing.

## 3.2 Hiring, Recruiting and Background Checks

All applications for employment must be in writing and include the position for which the individual is seeking employment. All requests to recruit must be approved, at a minimum, by the Executive Director before recruitment is initiated. Recruitment activity is contingent upon appropriate funding.

The Company recognizes the importance of maintaining a safe workplace with employees who are honest, trustworthy, qualified, reliable, and nonviolent, and do not present a risk of serious harm to their coworkers or others. For purposes of furthering these concerns and interests, the Company conducts background investigations after a conditional job offer is extended. Certain positions also require a credit check. Background checks may also be conducted during employment for business purposes.

In the event that a background check is conducted, the Company will comply with the federal Fair Credit Reporting Act and applicable state law, including providing the job applicant or employee with any required notices and forms. The Company further complies with applicable laws and regulations, including California's Ban the Box law, with respect to an applicant's prior criminal history by conducting individualized assessments taking into account the time that has elapsed since an unresolved arrest or criminal conviction and any mitigating factors.

## 3.3 Eligibility to Work in the U.S.

Under federal law, all new hires must produce original documentation and complete a form establishing their identity and eligibility to work in the United States. Documentation must be produced to Human Resources within three business days of hire, or on the first day of any employment that is less than three business days. Employees must be eligible to work throughout their employment.

## 3.4 Working Remotely

Working remotely (sometimes called "telecommuting") means working at home or at a site near the home instead of physically traveling to a central workplace. CHDC may extend this arrangement to some employees at its sole discretion, and may end the program at any time. Written advance authorization is required by the Executive Director, as well as an agreement describing responsibilities such as work schedules, safety, and use of CHDC property.

## 3.5 Personnel Files

CHDC maintains a personnel file for each employee. These records are confidential and the property of CHDC. Upon written request to Human Resources or the Deputy Director and with 30 days advance notice, you or your representative (who is authorized in writing) may inspect your own personnel file (at reasonable intervals) by scheduling an appointment with Human Resources and/or you may request copies of documents you have signed that pertain to your being hired or employed and personnel records relating to your job performance and any grievances. You may not remove any documents from your personnel file. CHDC reserves the right to redact the name of any nonsupervisory employee in your personnel file before you review it. CHDC further reserves the right to charge employees for the actual copying costs.

Although CHDC keeps these files private, it may be obligated to disclose information to persons outside the organization, such as, to respond to a subpoena or court order, to comply with governmental agencies as part of an investigation, to administer employee benefit plans, or to facilitate emergency situations. Whenever possible, CHDC will try to keep this information restricted.

Unless specifically authorized by you, CHDC will not release any information about you, other than your dates of employment.

Employees are responsible for ensuring that their personal information is accurate and current. Employees must notify the HR representative of changes including name, address, marital status, beneficiaries, persons to contact in an emergency, and continuing education and training courses.

## 3.6 Standards of Conduct

CHDC tries to foster an environment of cooperation and teamwork to maximize each employee's job performance.

In order to assure orderly operations and provide the best possible work environment, the Company expects employees to follow rules of conduct that will protect the interests and safety of personnel. It is not possible to list all the forms of behavior that are considered unacceptable in the workplace, but the following are examples of conduct that may result in disciplinary action, including corrective action, suspension, demotion, and/or termination of employment.

- Failure to satisfactorily perform job duties, as assigned. Failure or refusal to follow guidelines or perform tasks.
- Insubordination, including but not limited to failure or refusal to obey the orders or instructions of any supervisor or member of management, or the use of abusive or threatening language toward any supervisor or member of management.
- Violation of safety or security guidelines, including provoking a fight or fighting during working hours or on premises owned or occupied by the Company, engaging in horseplay, carrying firearms or any other dangerous weapons, at any time, on premises owned or occupied by the Company.
- Possessing, distributing, selling, transferring, or using--or being under the influence of--alcohol or legal/illegal drugs in the workplace.
- Excessive tardiness, absenteeism, failure to observe or abuse of meal or rest breaks, failure to adhere to work schedules or failure to receive authorization to leave work during normal work hours.
- Actions or conduct which jeopardize or violate CHDC's equal employment opportunity and/or harassment prevention policy, including conduct that implicitly or explicitly interferes with the work performance of others or creates an environment which is discriminatory, offensive, intimidating or harassing.
- Destroying, damaging, defacing, sabotaging or theft of CHDC records, tools, property, or equipment.
- Engaging in criminal conduct whether or not related to job performance.
- Violation of any CHDC rules, standards, or practices.
- Actions which represent a conflict of interest with your duties.
- Actions which are dishonest, fraudulent or unethical.
- Actions which jeopardize or violate the confidentiality guidelines.
- Falsification, misrepresentation, alteration or destruction of any company records or property.

Conduct that is not listed, but that is unprofessional or potentially embarrassing, adversely affects or is otherwise detrimental to CHDC's interests, or the interests of its customers, clients or the public, may also result in disciplinary action, up to and including immediate

termination. Nothing in this section alters the employment at will relationship between you and CHDC.

## 3.7 Job Duties and Performance

CHDC maintains certain expectations and standards applicable to each employee's job. Your supervisor or manager will review these with you. In general, employees are expected to conscientiously perform their duties, respond readily to the direction of their supervisor, and conduct their relations with fellow employees in a manner which does not cause discord.

It is expected that employees will perform additional duties and assume additional responsibilities as needed by CHDC for its efficient operation. In order to adjust to changes in CHDC's business, it may become necessary to modify an employee's job description, add to or remove certain duties and responsibilities, or reassign an employee to an alternate job position.

Formal performance reviews will be conducted to provide supervisors and their direct reports with the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals. The Company expects supervisors to provide job performance feedback on a regular basis.

After the review, employees are required to sign the evaluation simply to acknowledge that it has been received and discussed. Employees may provide additional written comments at that time.

Supervisors and managers are to provide on-going feedback to their direct reports regarding job performance and conduct. If the employee requires improvement, CHDC will address this issue in a manner appropriate to the particular circumstances, which may include providing the employee with a performance improvement plan or corrective action, additional training, probation or termination.

## 3.8 Protection of Confidential Information

The security of CHDC's property is of vital importance. CHDC property includes not only tangible property, like desks, keys, tools and computers, but also intangible property such as information and data. All employees share the responsibility to ensure that proper security of CHDC property and private – or confidential – information is maintained at all times.

All employees, consultants, volunteers and contractors are required to abide by the terms of this policy and any applicable written agreement. Confidential Information means any CHDC proprietary information, technical data, trade secrets or know-how, including, but not limited to, research, plans, services, supplier lists, client lists, client financial and/or personal information (including, but not limited to, clients of CHDC on whom employees

have had contact or with whom they became acquainted during the term of their employment), names and expertise of employees and consultants, software, developments, inventions, processes, formulas, technology, designs, drawings, hardware configuration information, marketing, finances, other business information or any and all Human Resources data, including but not limited to any job performance, compensation, benefits, personal financial or private health information of any current or former employee disclosed to employees by the CHDC either directly or indirectly. Confidential Information does not include any of the foregoing items that have become publicly known and made generally available through no wrongful inadvertent or accidental act of employees or others who were under confidentiality obligations as to the item or items involved.

Employees, consultants, volunteers and contractors must have written authorization to review or otherwise access client records.

At all times during an employee's employment with CHDC, and after that employment relationships ends (whether voluntarily or involuntarily), employees are expected to keep in strictest confidence and trust all Confidential Information, and to not directly or indirectly disclose, use, rely on or induce, or assist in the use or disclosure of any Confidential Information without CHDC's prior express written consent, except as may be necessary in the ordinary course of performing duties on behalf of CHDC. This includes but is not limited to, soliciting any of CHDC's current clients, service providers or government agencies, inducing or encouraging such clients or entities to cease doing business with CHDC or taking away business from CHDC,

Employees must promptly notify their manager if they know or believe that CHDC's Confidential Information has been released or compromised in an unauthorized manner. Employees must take reasonable measures to prevent unauthorized persons or entities from having access to, obtaining, or being furnished with any Confidential Information.

Any violation of this policy may result in immediate termination of employment or, in the case of volunteers, consultants or contractors, termination of service agreements.

## 3.9 Public Relations

Employees share the responsibility for maintaining good public relations. Employees must not release information about CHDC's activities, staff or clients to the media without express authorization. All inquiries from the media must be referred to the Executive Director.

Employees must obtain approval from the Executive Director prior to making a public statement involving CHDC, its staff or clients, including, but not limited to, participation on panels, presentation papers, speech making, and participation in political activities.

## 3.10 Avoiding Conflicts of Interest

Employees are expected to devote their best efforts and attention to the performance of their jobs. Employees are expected to use good judgment, to adhere to high ethical standards, and to avoid situations that create an actual or potential conflict between the employee's personal interests and the interests of CHDC. A conflict of interest exists when the employee's loyalties or actions are divided between CHDC's interests and those of another, such as a competitor, vendor, supplier, or customer. Both the fact and the appearance of a conflict of interest must be avoided. Employees unsure as to whether a certain transaction, activity, or relationship constitutes a conflict of interest should discuss it with the Executive Director for clarification. Any exceptions to this guideline must be approved in writing by the Executive Director.

This guideline does not attempt to describe all possible conflicts of interest that could develop. Some of the more common conflicts from which employees should refrain, however, include the following:

- Accepting personal gifts or entertainment from competitors, customers, vendors, government agency employees, government agencies, suppliers, potential suppliers or persons receiving benefits or services under any program financially assisted by the Office of Economic Opportunity. This also includes gifts received by members of an employee's immediate family, consultants, and volunteers.
- Working for a competitor, supplier, or customer.
- Engaging in self-employment in competition with CHDC.
- Engaging in outside employment, consulting, volunteer work, speaking engagements or work of any kind which interferes with the employee's employment duties and responsibilities at CHDC.
- Using proprietary or confidential CHDC information for personal gain or to CHDC's detriment.
- Acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to CHDC.
- Committing CHDC to give its financial or other support to any outside activity or organization, without express authorization.
- Engaging in or having a close, personal relationship with a direct report employee of CHDC that might interfere with the exercise of impartial judgment in decisions affecting CHDC or any employees of CHDC or otherwise create a security or morale issue.
- Engaging in the development, real estate brokerage, or any other activities that may be interpreted as a conflict of interest with the program without prior written disclosure and prior written approval by the Executive Director.
- Offering employment at CHDC as a consideration or reward for the political support of any political party or candidate for public office, or engaging in partisan political activity as part of their job with CHDC.

Honoraria received by employees for presentations or speaking engagements relating to CHDC and its programs are not considered to be gifts for purposes of this conflict of interest policy.

If an employee or someone with whom an employee has a close relationship (a family member or close companion) has a financial or employment relationship with a competitor, customer, vendor, supplier, or potential supplier, the employee must disclose this fact in writing to the Executive Director. Employees should be aware that if they enter into a personal relationship with a subordinate employee or with an employee of a competitor, supplier, or customer, a conflict of interest might exist that requires full disclosure to CHDC.

Failure to adhere to this guideline, including failure to disclose any conflicts or to seek an exception, may result in discipline, up to and including termination of employment.

## 3.11 Ethical Behavior and Reporting

CHDC's reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

CHDC will comply with all applicable laws and regulations and expects all of its employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws by refraining from any illegal, dishonest, or compromising unethical conduct.

If a situation arises where it is difficult to determine the proper course of action, you should immediately seek advice and counsel from your manager and, if that person is not available, consult with another manager, the Deputy Director or Executive Director.

### 3.11.1 Whistleblower Protections

Compliance with this policy of business ethics and conduct is the responsibility of every CHDC employee. Disregarding or failing to comply with this standard of business ethics and conduct may lead to disciplinary action, up to and including possible termination of employment.

It is every employee's responsibility to report any and all actual or potential violations of this Handbook or other CHDC policies and procedures, including and especially complaints as to accounting or auditing irregularities or fraud and corruption.

In order for CHDC to address and resolve any potential areas of concern, it needs to be informed. Therefore, employees may raise concerns related to known or suspected illegal or unethical activities that might cause harm to the company, its employees or clients with their manager or supervisor, the Deputy Director or Executive Director, Human Resources or any member of the Board of Directors. Any of these individuals will help evaluate your situation or concern, offer advice, if appropriate, and report the issue to Human Resources

so that a reasonable investigation can be conducted. The matter will be kept as confidential as possible, meaning that the issue will be relayed only to those with a need to know.

If you wish to remain anonymous or otherwise so decide, you may submit a note through regular or inter-office mail to the attention of the Board of Directors. Confidentiality for persons who choose to remain anonymous will be maintained to the fullest extent possible.

Any potential violations of CHDC's harassment prevention or equal employment opportunity policies are to be reported according to the applicable policies (described above) so that the matter can be investigated and resolved.

CHDC strictly prohibits retaliation against any employee for providing information, participating in an investigation, reporting suspected illegal or unethical activities, or raising a complaint regarding conduct by the organization that the employee reasonably believes constitutes a legal violation or violation of the company's policies regarding ethical conduct.

## 3.12 Use of Company Property and Privacy

CHDC provides work areas, work stations, equipment, tools and various Technology Resources to assist employees in performing their jobs. Technology Resources consist of all electronic devices, software, and means of electronic communication including computers, printers, fax machines, copiers, computer software applications, internet access, electronic mail, telephones, cellular phones, pagers, handheld wireless devices, and voicemail systems.

Each employee has a responsibility to safely and appropriately use CHDC's property in a manner that increases productivity, enhances CHDC's public image, and is respectful of other employees. Employees have no expectation of privacy in their use of any CHDC property, including Technology Resources.

CHDC's property and Technology Resources are to be used only for the purpose of conducting the business of CHDC. Employees may, however, use CHDC's Technology Resources for incidental personal uses so long as such use does not interfere with their duties, is not done for personal financial gain, does not conflict with CHDC's business, and does not violate any CHDC policy.

On an occasional basis, employees may need to use a personal cellular telephone to make calls while in the workplace. Employees are expected to do so without disrupting or disturbing your co-workers or the workplace. If possible, calls should be made from a private location. Excessive use of personal cellular telephones or other telecommunication devices will be handled as a job performance issue.

Employees are prohibited from photographing, videotaping or audio recording anything on CHDC's premises or that of the properties upon which it is providing services, clients,

other employees, or any CHDC property or data without express written permission to do so.

### 3.12.1 Monitoring

In order to protect the safety and security of the workplace and to ensure efficient service, it may be necessary for CHDC to monitor or inspect an employee's work, work area, mail, and desk. In some cases, for customer service reasons, telephone calls and work on a computer may be monitored. CHDC's Technology Resources, including its computers, voice mail and e-mail, are accessible at all times by CHDC and may be subject to periodic, unannounced inspections by authorized representatives of CHDC for business purposes.

CHDC may, in its discretion, review any employee's electronic files and messages as well as the volume and content of usage. These communications may be read by others within the Company and outside it without first obtaining the employee's permission. Employees should be aware that even when a message is erased or a visit to a web site is closed, it is still possible to recreate the message or locate the web site. If there is information that an employee does not want to be available to others, the employee should consider sending that information by other means.

For safety and security purposes, CHDC may use video surveillance in certain community rooms and such surveillance information may be reviewed and used for business purposes. No surveillance will take place in any restrooms, locker rooms or any area in which employees change clothing. Employees are further notified of surveillance by notices in the workplace and authorize its use.

To provide a safe and secure workplace, CHDC reserves the right to inspect and search an employee's person or possessions, such as pockets, purse, briefcase, or other items of personal property that are being worn or carried by the employee when it has reasonable suspicion to do so. In such cases, the employee will be requested to conduct a self-search (i.e., by turning out or emptying pockets, purses, etc.) in the presence of an observer who will be a person of the same gender, to the extent feasible.

Because even a routine search for CHDC property might result in the discovery of an employee's personal possessions, all employees are encouraged to refrain from bringing into the workplace any item of personal property that they do not wish to reveal to the Center. Employees have no right of privacy to any personal items kept, stored, or maintained on CHDC premises, CHDC property, or CHDC equipment of any kind.

Employees who refuse to cooperate during an inspection or search will not be forcibly detained or searched. However, CHDC will base any disciplinary decision on the information that is available, and failure or refusal to cooperate could deprive CHDC of information that may clear an employee of suspicion.

### 3.12.2 Electronic Communications

Employees are expected to use their discretion and good judgment in transmitting sensitive materials in the most secure manner possible, which may mean using written memoranda or personal conversation. Employees are also expected to protect proprietary and confidential information by not disclosing their password(s) to anyone, other than an authorized employee.

CHDC recognizes that electronic communications are sometimes treated less formally than other types of communications and, as such, may have a greater potential for miscommunication than verbal communication. Employees using the internet, intranet, electronic mail or other electronic media at work or for CHDC business are expected to adhere to the usual principles of business communications by keeping them professional and respectful. Communications must not be transmitted in any manner, which reasonably could cause the recipient distress, embarrassment, unwarranted attention, or harassment, including personal attacks or vulgar, abusive, offensive or inflammatory language or images.

Electronic mail communications may not be made anonymously for any improper reasons. Impersonation, misrepresentation, or unauthorized disclosures by an individual claiming to be acting in an official capacity is prohibited.

All passwords must be available to management upon request. Employees should not provide a password to other employees or to anyone outside of the Company and should never access any technological resources using another employee's password.

Unauthorized review, duplication, dissemination, removal, installation, damage or alteration of files, passwords, computer systems or programs, or other property of the Company, or improper use of information obtained by unauthorized means, is prohibited.

## 3.13 Social Media Guidelines

Given the rise in communicating via the internet in various ways, CHDC provides the following guidelines for employees when representing CHDC on its social media sites, such as Facebook, LinkedIn and the CHDC website, as well as guidelines for employees when using social media. However, nothing contained in this policy is intended to interfere with protected concerted activity under Section 7 of the National Labor Relations Act, such as the right to discuss wages and working conditions with co-workers.

**Guidelines for the Organization's Social Media**

CHDC's website, Facebook, LinkedIn and other social media accounts are used for marketing and public relations purposes. All information posted on the CHDC website, profiles or accounts must be expressly pre-approved by the Executive Director.

**Guidelines for Employees Using Social Media**

The following guidelines relate to posting items on websites, live streams, media forums, YouTube, Facebook, MySpace, Twitter, Instagram, blog posts, chat rooms, instant messaging, texting, and any other technology that evolves.

**1. Do Not Disclose the Organization's or Our Clients' Confidential Information.** All CHDC employees must comply at all times with confidentiality and proprietary information agreement(s) and related policies described in this Handbook, whether on or off the job, and regardless of the type or medium of communication used (including but not limited to conversation, written documents, internet postings, email, instant messaging, chat room communications and the like). Specifically, CHDC employees must not disclose any confidential or proprietary information without prior authorization (as those terms are defined in the employee's confidentiality and proprietary information agreement and related policies described in this Handbook). Employees must also observe the following:

- Respect copyright and trademark laws, including use of corporate logos. For example, use of corporate logos in a commercial manner could cause confusion in the marketplace, and thus is prohibited.
- Do not identify, cite or reference customers, prospects and suppliers without written permission.

**2. Be Respectful and Professional.** CHDC employees must not disparage or defame any other CHDC employee or CHDC or its products and services. For example, employees must not post information, comments, photographs, video or other content regarding co-workers or CHDC or its products and services that does not support CHDC's goals or objectives; leads to morale issues in the workplace; detrimentally affects CHDC's business; may be considered vulgar, obscene, threatening, intimidating, harassing; or violates CHDC's policies, including, but not limited to, its Avoiding Conflicts of Interest, Equal Employment Opportunity, Harassment Prevention, Standards of Conduct, Ethical Behavior and Reporting, Whistleblower Protections, Workplace Violence Prevention, Protection of Confidential Information and Use of Facility & Property policies.

**3. Respect Your Co-Workers' Privacy.** Employees must not post any photographs or videos of or transmit any information about any CHDC employees without express authorization to do so. Before posting photographs or video taken at a CHDC event, contact Human Resources for approval.

**4. Avoid Expressing Personal Views As the Organization's Views.** On their own non-work time and using their own personal technology, employees may choose to communicate electronically regarding their personal business and beliefs by writing or responding to blogs, text messages or emails, or they may have personal websites or use social networking websites. CHDC expects that these communications are personal in nature. Employees who wish to identify themselves in such communications as CHDC employees may only do so if they specifically state that the information provided or the views expressed are personal and not CHDC's information or views – unless CHDC has previously authorized such communications. Similarly, employees may not use the CHDC logo on or with any electronic communications unless it relates to a business communication and authorization has been obtained.

5. **Use Organization Property for Organization Business.** As noted above, CHDC property which enables employees to communicate electronically is provided to enable employees to perform their work. Personal use must only be on a limited basis during non-work time, and it must not interfere with your work or that of another employee.

6. **Be Aware that Electronic Communications Are Not Private.** Online conversations are NOT private and internet postings are typically permanent through archival systems. Therefore, employees must take responsibility for their communications and immediately correct any mistakes or errors.

## 3.14 Children & Visitors

CHDC is not responsible for the safety or security of any children or other individuals who are visiting employees on CHDC premises. Their access to employee working areas is not permitted unless approved by management.

## 3.15 Professional Appearance

CHDC observes a casual dress code. Some employees who have client contact may not be able to participate in casual dress and will be expected to dress appropriately for each situation as required. Since employees' appearance at work reflects on CHDC, the Company requests that employees support its efforts by dressing and grooming appropriately for work. During working hours, all employees are expected to present a professional, well-groomed appearance to clients and vendors. Employees are asked to use good judgment and avoid dressing in a manner that would negatively affect clients' and or vendors' perception.

Ensure that usage of perfume, cologne, lotion, deodorant or other scented products is not so strong that it may cause an allergic reaction to those near you.

CHDC will reasonably accommodate employees' religious beliefs or observances, including religious dress and grooming practices, unless the accommodation would be an undue hardship. "Religious dress practice" includes the wearing or carrying of religious clothing, head or face coverings, jewelry, artifacts, and any other item that is part of the employee's religious observance. "Religious grooming practices" include all forms of head, facial, and body hair that are part of the religious observance.

## 3.16 Separation from Employment

CHDC follows applicable legal regulations regarding final pay for employees. Employees who provide more than 3 days' notice of resignation and those that are subject to company-initiated separation will be paid their final pay and accrued vacation leave on their last day of employment. Otherwise, employees will receive their final pay in accordance with legal requirements.

Before an employee leaves, he or she must return all Company-furnished property, such as computers, cell phones/smart phones, equipment, ID cards, keys, credit cards, documents, policy manuals, corporate manuals, and this Handbook (and other versions of this handbook, if any). The employee must also return any files, memoranda, data, records, documents or emails (whether in electronic or hard copy format), whether the employee authorized or prepared them or whether the Company furnished them to the employee. If the employee transmitted any data whatsoever to a personal email account (or to a non-employee's personal email account that was not for work purposes), such emails and data must be identified so that arrangements can be made for their return or destruction.

## 3.17 Exit Interviews

Employees may be requested to provide exit interview information upon separation. This process provides employees the opportunity to communicate about their work with CHDC.

## 3.18 Medical Records

All employee medical records, including leave of absence, insurance benefit information and Workers' Compensation claims documents, are maintained in confidential files by Human Resources and are available for review only to those with an authorized need to know. CHDC complies with all applicable privacy regulations and HIPAA. CHDC will not require the disclosure of genetic information regarding an employee or family member, except as authorized by the Genetic Information Nondisclosure Act.

## 3.19 Sexual and Elder Abuse Prevention

CHDC has a "Zero Tolerance" policy for any sexual or elder abuse committed by any employee, volunteer, or third party in the workplace or during any school event.

Sexual abuse is generally defined as the use, persuasion, inducement, enticement, or coercion of any child to engage in, or assist any other person to engage in, any sexually explicit conduct or simulation of such conduct for the purpose of producing a visual depiction of such conduct, or the rape, statutory rape, molestation, prostitution, or other form of sexual exploitation of children, or incest with children. Sexual abuse includes sexual assault or sexual injury. It does not include sexual harassment (which is addressed in the Harassment Prevention section). A child is anyone under the age of 18.

All employees are to display the utmost professional and respectful behavior at all times. They must observe increased diligence when interacting with minors.

Employees are not to meet with or talk to minors in an office with the door closed unless another adult employee or the child's parent or guardian is present.

Elders are defined as anyone over age 65. Criminal elder abuse is defined as willfully causing or permitting any elder to suffer, or inflicting unjustifiable physical pain or mental

suffering on the elder. It also covers situations where a person willfully causes or permits the elder to be placed in a situation in which elder's health is endangered.
Civil law defines civil elder abuse to mean physical abuse, neglect, financial abuse, abandonment, isolation, abduction, or other treatment resulting in physical harm or pain or mental suffering. It also means the deprivation by a care custodian of goods or services that are necessary to avoid physical harm or mental suffering.

Employees must immediately report any complaints from minors or elders to their immediate supervisor, the Deputy Director or the Executive Director. Employees must also immediately report any actual knowledge of or reasonable suspicions that sexual abuse of a minor or elder abuse has taken place to their supervisor, the Deputy Director or the Executive Director. If the suspected abuse relates to an adult, CHDC will contact the local Adult Protective Services Agency. If the suspected abuse relates to a minor, CHDC will report it to the Department of Family & Children's Services (DFCS), the Family and Children's Services (FCS) hotline or to the local police department. CHDC will notify appropriate family members, based on guidance from appropriate professionals. CHDC will take all reasonable steps to maintain the confidentiality of the complaint.

CHDC takes all allegations of sexual and elder abuse seriously and will conduct a prompt, thorough, and impartial investigation. Such an investigation will be conducted by a qualified third party. It will be conducted in a manner that is as confidential as possible. All employees are expected to cooperate and participate in an investigation, as requested. CHDC will cooperate fully with any investigation conducted by law enforcement or other regulatory agencies.

Based on the results of the investigation, CHDC will take appropriate action, which may include corrective action, counseling, disciplinary action or termination. With regard to violations of this policy by non-employees, CHDC will take appropriate action.

CHDC strictly prohibits retaliation against any employee for using this complaint procedure or for testifying, assisting, or participating in any manner in any investigation or related legal proceeding. If you feel that you are being or have been retaliated against, inform your supervisor, any manager, the Deputy Director, the Executive Director or the Executive Committee of the Board of Directors immediately.

## 3.20 Bulletin Boards, Solicitation & Distribution

Bulletin boards are reserved for the exclusive use of the Company for posting work-related notices or notices that must be posted pursuant to local, state, and federal law. From time to time, special notices and information for employees will be posted by the Company on Company bulletin boards or through electronic means. Employees should check the boards regularly for these notices. Employees may not make any postings without the written authorization of the Executive Director or Deputy Director.

To protect against employees being disturbed or disrupted in the performance of their job duties, outside solicitors are not permitted on Company premises at any time. During work time and in work areas, employees are not to communicate with or approach other

employees directly to sell items, whether for personal or charitable purposes, solicit donations or support for any cause or organization or participate in any non-Company activities or events. "Work time" includes all time for which an employee is paid and/or is scheduled to be performing services for the Company; it does not include break periods, meal periods, or periods in which an employee is not, and is not scheduled to be, performing services or work for the Company. Distribution by employees and non-employees of advertising material, handbills, or printed or written literature of any kind on Company premises is prohibited at all times.

## 3.21 Attendance and Dependability

Being present, on time and available for work is an essential function of each employee's job. As such, each employee is expected to report to work on a reliable and punctual basis. Absenteeism, early departures from work, and late arrivals burden your fellow employees and the Company. If you cannot avoid being late to work or are unable to work as scheduled, you must contact your supervisor as soon as possible. Unless you have made other arrangements with your supervisor, you must contact your supervisor each day of your absence.

You may be asked to provide a medical authorization for your time off so that your supervisor can determine if you are able to return to work and take appropriate action to determine accommodations for any medical restrictions. A pattern of excessive absenteeism or tardiness may lead to corrective action, up to and including termination of employment. Time off that is authorized as vacation time, paid sick leave or approved as a leave of absence will not be considered in evaluating absenteeism for this purpose.

If you fail to report for work without any notification to your supervisor or reasonable explanation, this will be treated as a disciplinary matter. If you fail to report for work for two (2) consecutively scheduled work days without any notification to your supervisor, you will be considered to have abandoned your job and voluntarily resigned your employment.

## 4.0 Health, Safety & Security

Safety is everybody's business. Safety is to be given primary importance in every aspect of planning and performing all CHDC activities. CHDC wants to protect employees against industrial injury and illness, as well as minimize the potential loss of production. Equipment, facilities, and work procedures are designed, installed, and developed for the safety of each employee, client, member, volunteer, and visitor to CHDC.

CHDC's Injury and Illness Prevention Program (IIPP) is designed for this purpose and provides important safety rules and procedures. The IIPP is maintained by Human Resources.

Employees are encouraged to raise concerns and to make suggestions about safety issues to their manager, Human Resources, the Executive Director or any member of the Board of Directors. Safety concerns or questions may be made anonymously to Human Resources. Retaliation of any kind will not be tolerated against any individual for raising a complaint or concern or against any individual who participates in an investigation.

The following are general safety rules:

- Avoid overloading electrical outlets with too many machines.
- Use flammable items, such as cleaning fluids, with caution.
- Walk, don't run.
- Report work-related injuries or illnesses (see §4.2).
- Ask for assistance when lifting heavy objects or moving heavy furniture.
- Keep cabinet doors and file and desk drawers closed when not in use.
- Sit firmly and squarely on chairs that roll or tilt.
- Avoid horseplay or practical jokes.
- Start work on any machine only after safety procedures and requirements have been explained.
- Avoid working alone after normal office hours. Work-related events occurring in the evening should be attended by at least two employees.

## 4.1 Smoke-Free Workplace

CHDC of North Richmond is a smoke-free facility. Smoking (including the use of electronic cigarettes, vaporizers and any similar devices) is not permitted in any of the buildings owned, operated, or leased by CHDC. Violation of this policy may result in termination of employment.

Smoking is permitted outside the facility in a designated area and smokers are required to dispose of their smoking devices appropriately.

## 4.2 On-The-Job Injuries and Illnesses

CHDC is committed to preventing accidents and workplace injuries and has a comprehensive program to handle work-related injuries. Employees who witness any medical emergency on-the-job should call "911" immediately. Employees who are injured on-the-job or suffer a work-related illness must report it immediately to their supervisor, a Director or Human Resources.

Employees will either be provided with a claim form or obtain the necessary information to complete the claim process. This claim information must be reported to CHDC's workers' compensation insurance carrier within 24 hours of most injuries and illnesses. Unless there is an emergency, employees will be directed to the Kaiser industrial injury clinic for treatment.

Workers' compensation insurance benefits cover eligible work-related injuries and illnesses. In the event that a work-related injury or illness requires time off from work on an occasional or sporadic basis for treatment, employees are to notify their supervisor and the Executive Director in advance and schedule appointments consistent with business needs. If the injury or illness requires an extended period of time off (e.g., more than 5 consecutive work days), a Workers' Compensation Leave of Absence may be taken. For further information, see below.

CHDC recognizes the benefits of enabling employees to return to work following an injury or illness. In conjunction with our workers' compensation insurance carrier, we will thoroughly review available jobs and job functions that can be performed on a modified or light duty basis. For more information about return to work, contact Human Resources.

## 4.3 Workplace Violence Prevention

CHDC is committed to providing a safe, violence-free workplace. CHDC strictly prohibits employees, consultants, contractors, clients, visitors, volunteers or anyone else on CHDC premises (including premises of CHDC projects) or engaging in a CHDC-related activity from behaving in a violent or threatening manner.

Disciplinary action, medical evaluation, mandatory referral to a mental health professional will occur and/or employment may be terminated for striking or otherwise assaulting another person; fighting or challenging another person to a fight; engaging in dangerous, threatening or unwelcome horseplay; bringing a gun, knife, explosive or other weapon or dangerous substance to work or to a work-sponsored event; threatening to harm another person in any way; or engaging in any activity that causes or may cause an unsafe work environment. Jokes about weapons, violence or the threat of violence are considered serious in the workplace and will not be tolerated.

Employees who believe they are the victim of threatening behavior, harassment, or other violence or threat of violence, or are witness to this behavior, must report it immediately

to their direct manager, a Director or Human Resources. If there is an emergency situation, contact the local police department immediately. Employees must notify Human Resources if any restraining order is in effect, or if a potentially violent non-work-related situation exists that could result in violence in the workplace.

CHDC will conduct an investigation into all complaints or reports of violence, threats or other conduct that endangers the safety and security of others in the workplace. Employees are expected to cooperate in any investigation. Depending on the particular circumstances, violence prevention specialists may conduct on-site investigations and make recommendations. Based on the results of the investigation, CHDC will take appropriate action to ensure workplace safety, which may include corrective action, mandatory psychological counseling, disciplinary action, suspension or termination. With regard to violations of this policy by non-employees, CHDC will take appropriate corrective action. CHDC may also obtain a temporary restraining order as warranted, and take any other necessary steps, such as increased security personnel or other precautions.

Retaliation of any kind will not be tolerated against any individual for raising a complaint or concern or against any individual who participates in an investigation. If employees feel that they are being or have been retaliated against, they should inform their direct manager, a Director or Human Resources immediately.

Non-employees engaged in violent acts on premises owned, operated, or leased by CHDC of North Richmond will be reported to the proper authorities.

## 4.4 Driving Requirements

Employees who are required to drive for CHDC business must maintain a valid driver's license at all times and will be required to show proof of a valid driver's license prior to the first day of employment as well as upon request. Employees must also show proof of current adequate automobile insurance coverage. Employees must inform their manager when their driver's license has been suspended or revoked or if there is a loss of insurance coverage.

CHDC retains the right to transfer, suspend or terminate an employee whose license is revoked, who fails to maintain insurance coverage, who is uninsurable under the company's policy, or who fails to maintain an acceptable driving record.

CHDC prohibits employees from using a cell phone or any wireless or electronic device to conduct business while driving. This includes reading or sending email or text messages or making and receiving calls during non-work hours or during their regular commute. In the event of an emergency, any call or message must be placed with a hands-free cellular telephone device according to California law. This includes personal and work calls. If a hands-free device is not available, employees may only make a call or send a message while driving for emergency purposes to a law enforcement agency, health care provider, fire department, or other emergency services agency or entity, according to the law.

However, regardless of the circumstances, including slow or stopped traffic, employees are required to pull off to the side of the road and safely stop the vehicle before placing or accepting a call or message, refrain from discussion of complicated or emotional matters and keep their eyes on the road. Special care should be taken in situations where there is traffic, inclement weather or the employee is driving in an unfamiliar area.

## 4.5 Drug & Alcohol-Free Workplace

The use of alcohol, illegal drugs, intoxicants, controlled substances, and certain prescription and over-the counter drugs, whether on or off duty, can impair employees' ability to work safely and efficiently. The Company prohibits the following:

- Possession, use, or being under the influence of or impaired by alcohol or a drug (whether illegal or legal), intoxicant, or controlled substance during working hours or on Company property.
- Operating a vehicle or other equipment while under the influence of or while impaired by alcohol or a drug (illegal or legal), intoxicant, or controlled substance during working hours or on Company property.
- Distribution, sale, manufacture or purchase--or the attempted distribution, sale, manufacture or purchase--of any drug, intoxicant, or controlled substance during working hours or while on Company property.

CHDC reserves the right to search employees and their personal belongings based upon reasonable suspicion of a violation of this policy. Employees who have been convicted of violating a criminal drug statute for a violation that occurred on property owned or occupied by the Company or during work hours are required to report it to their supervisor or manager within 5 days of the conviction.

Employees whose use of prescription drugs and/or over-the-counter drugs may impede their job performance should notify their supervisor or manager to determine if they can safely perform their duties.

Employees who violate this drug and alcohol abuse policy will be removed from the workplace immediately and are subject to disciplinary action, up to and including termination. The Company may also bring the matter to the attention of appropriate law enforcement authorities.

# Compensation and Payroll

## 5.0 Job Classifications

Federal and state laws require CHDC to classify jobs as overtime eligible or not and to pay employees in those jobs accordingly. Depending on the job responsibilities and applicable regulations, jobs are classified as either **Exempt** from overtime pay requirements (i.e., not eligible for overtime premium pay) or **Nonexempt** (i.e., eligible for overtime premium pay). If you are classified as a Nonexempt employee, you will be paid according to the number of hours worked. If you are classified as an Exempt employee, you will be paid a salary (a flat rate not dependent on the number of actual hours you work). An Exempt employee's weekly salary is subject to deductions in full-day increments for days in which the employee has been absent and does not have sufficient vacation or sick time or works less than a full week during the initial or final weeks of employment, or for a full week in which the employee has performed no work.

If employees believe that an improper deduction from their salary has been made, they should immediately report this information to Human Resources.

Jobs are also classified as Full-Time (regularly scheduled to work 40 hours per week), Part-Time (regularly scheduled to work less than 40 hours per week), or Temporary (positions on a specific assignment or project basis to be completed within a specified period of time). CHDC also has certain service providers, such as volunteers, consultants and contractors, who are not employees.

## 5.1 Work Schedules

CHDC's regular office hours are Monday through Friday from 9:00 a.m. to 5:00 p.m. Full-time employees are generally scheduled to work from 8:30 a.m. to 5:00 p.m. Work schedules are based on department or office functions and individual job responsibilities, which may vary between departments and employees. All schedules are subject to change and require a manager's approval. Full-time employees are expected to work forty (40) hours per week. Part-time employees work according to their pre-arranged schedules, except during holiday weeks.

## 5.2 Pay Periods and Paydays

For payroll purposes, the work week is a fixed, seven-day period that begins at 12:01 a.m. each Monday and ends at 12:00 a.m. each Sunday.

Employees are paid on a bi-weekly basis. The pay period consists of two weeks, beginning on a Monday and ending on Sunday of the following week. Paydays are on the Wednesday following the end of the pay period. There are 26 pay periods per calendar year. If a payday falls on a holiday, paychecks are available the day before the holiday.

## 5.3 Paychecks and Deductions

CHDC encourages employees to sign up for direct deposit. Paychecks may be picked up from your immediate supervisor or Accounting. When employees are absent on a payday, their paycheck will be held until they return to work unless they have provided written authorization for another person to pick up the check.

CHDC does not cash checks for employees or provide or authorize advance salary payments.

The Company is required by law to make certain payroll deductions, including federal, state and local income taxes, and your contribution to Social Security. Other deductions are authorized by you, such as for benefit participation. These deductions will be itemized on your check stub. If you wish to modify the number of exemptions you claim, please request a new W-4 form from Accounting.

Employees are required to immediately report any errors on their paycheck to their immediate supervisor or to Accounting.

## 5.4 Timekeeping and Time Off Records

Employees must complete an electronic timesheet, which is approved by their immediate supervisor. They must accurately record their actual work time, for example, at the beginning and end of each shift, when leaving the building for any non-business reason and during meal periods.

If an employee fails to record their actual work time, or there is any error with their time, notify Human Resources or a Director immediately. Employees who have forgotten to record their time must notify their supervisor or Accounting immediately but no later than the start of the next work day.

Employees are strictly prohibited from working off-the-clock before their work shift begins or after their work shift ends. All time worked must be reported.

Falsifying time entries or recording time entries for other employees is strictly prohibited and may result in disciplinary action, up to and including termination of employment.

## 5.5 Overtime Premium Pay

When operating requirements or other needs cannot be met during regular working hours, nonexempt employees may be scheduled to work overtime. When this is required, employees will be notified in advance, unless it is an emergency. All overtime work must be authorized in advance by an employee's immediate supervisor or the Executive Director. Working overtime without prior authorization may result in disciplinary action.

Nonexempt employees will be paid 1.5 times their regular hourly rate for all hours worked in excess of 40 in a workweek or in excess of eight hours in a workday or for the first eight hours worked on the seventh consecutive day of a workweek and will be paid two times their regular hourly rate for all hours worked over twelve in a workday or over eight hours on the seventh consecutive day of a workweek, and as otherwise required by applicable state and federal law.

## 5.6 Meal and Rest Periods

All employees are encouraged to pause during the workday to rest and give eyes, hands, mouth, and ears a break. Nonexempt employees are provided unpaid 30 minute meal periods, in which they are relieved from duty, for each work shift of more than five hours. Nonexempt employees working more than ten (10) hours in a single shift will receive a second 30-minute meal break, which should be taken no later than the end of the 10th hour of work. Your manager will advise you of the scheduling of your meal period, but it generally is to be taken approximately in the middle of the workday (before the 5th completed hour of work). Employees must record the time that they stop working for their meal period and the time that they resume working.

Nonexempt employees may not skip their meal period as a way of shortening their workday. There are only two scenarios when employees may waive their meal break, which requires their manager's written authorization: 1) when an employee's total shift is 6 or less hours and 2) when an employee's total shift is 12 or less hours and the employee took their first meal period prior to their 5th hour of work in the shift. Contact your manager or HR for information on the specific procedures to follow to waive a meal period.

Employees who fail to comply with the meal break policy may be subject to disciplinary action.

Nonexempt employees are also provided a 15-minute paid rest period if their work day is at least 3.5 hours, a second 15-minute period if their work day is from 6 to 10 hours, and a third ten-minute period if their work day is over 10 hours. Rest periods are to be taken in the middle of each work period (e.g., morning and afternoon) as scheduled by your Manager, and are paid time. Rest periods may not be waived for any reason. Employees who fail to comply with the rest break policy may be subject to disciplinary action.

We ask that all employees coordinate lunch and rest breaks with coworkers to ensure adequate coverage for all functions.

For any employees (Exempt and Nonexempt) who work outdoors, they are allowed and encouraged to take cool-down rest in the shade for a period of no less than five minutes to protect themselves from overheating, also referred to as a recovery period. For safety and scheduling purposes, employees must notify their immediate supervisor of the need to take a cool-down break.

If you believe that you were not provided or were prevented from taking a meal or rest break, notify Human Resources immediately but no later than the end of the pay period. If

not reported, the Company will assume that you were provided with all applicable meal and rest breaks.

If you believe that a supervisor or anyone else is interfering with any employee's ability to take a full, uninterrupted meal break and full rest breaks or is pressuring any employee to work off-the-clock or otherwise inaccurately report time worked should immediately report this to Human Resources. Any complaints will be promptly investigated and rectified.

## 5.7 Make-up Time

Nonexempt employees may make up work time that is or would be lost as a result of personal obligations if the time is made up during the same workweek in which the work time is lost. To do so, employees must obtain pre-approval in writing from their supervisor. If make-up time results in a work shift of up to 11 hours, employees will not be paid overtime premium pay for this shift, unless they work more than 40 hours in the workweek.

## 5.8 Wage Garnishment

CHDC is required to comply with court orders for wage garnishment, which reduces an employee's take-home pay.

## 5.9 Compensation Policy

CHDC adheres to the compensation principles of internal and external equity, consistent with all applicable legal requirements.

There is an established salary range for each job classification based on the duties, responsibilities, knowledge, and skills required of the position, which allows an employee to progress, based upon job performance. CHDC's job classification system provides differentials among positions of varying responsibilities. Salary ranges are based on these differences.

In general, CHDC evaluates compensation during the performance review process. Merit increases and cost of living adjustments, though not guaranteed, typically go into effect at the time of the performance review.

# Time Off

## 6.0 Holidays

CHDC observes the following holidays:

New Year's Day
Martin Luther King's Birthday
President's Day
Memorial Day
Independence Day
Labor Day
Veterans Day
Thanksgiving Day
Christmas Day

Holidays that fall on a Saturday are observed the Friday immediately before the holiday. Holidays falling on a Sunday are observed the following Monday.

Regular full-time and part-time employees are paid for a CHDC holiday if they are regularly scheduled to work on the day on which an observed holiday occurs. Eligible employees will be paid their regular base pay for the holiday according to the regularly scheduled hours they would have worked that day.

During weeks in which there is a company holiday, part-time employees' schedules may be adjusted to manage workload requirements and provide sufficient office coverage during official business hours.

Employees who are on inactive, unpaid or partially unpaid status, including leaves of absence periods, or whose time off has not been authorized, are not paid for holidays that occur during such inactive period.

## 6.1 Vacation Leave

Full-time employees accrue vacation leave as follows:

| Length of Employment | Vacation Accrual Rate Per 12-Month Period* | Maximum Accrual Cap |
|---|---|---|
| Date of hire to end of 1st year | 10 days (accrued at the rate of 10/12 of one day for each full month of active employment) | 15 days |

| | | |
|---|---|---|
| Year 2 to end of 4th year | 12 days (accrued at the rate of one day for each full month) | 18 days |
| Year 5 and beyond | 15 days (accrued at the rate of 1.25 days for each full month) | 22.5 days |

*Part-time employees who regularly work at least 20 hours per week accrue vacation credits on a pro-rata basis. No other classification of employees earns vacation time.

Vacation credits continue to accrue, up to a maximum of 1.5 times the employee's annual vacation accrual rate. Once the maximum accrual is reached, no further vacation credits will accrue until some of the credits are used.

Vacation time may be taken after employees have been employed for 180 days, and may only be taken if accrued in advance. For scheduling and planning purposes, all employees must provide reasonable advance notice of their request for vacation time, which must be pre-approved by the Department Head and Executive Director or Deputy Director. Employees are also expected to inform their immediate supervisor of their vacation requests sufficiently in advance to assure that their responsibilities are properly carried out during their absence.

Upon termination of employment, employees are paid all accrued and unused vacation.

Vacation credits do not accrue while employees are taking a leave of absence or are otherwise on unpaid status. A company holiday that falls during a vacation period will be treated as a holiday and not as a day of vacation taken.

## 6.2 Sick Leave

Full-time employees accrue paid sick leave credits at the rate of one (1) day per month of active employment, up to a maximum of 21 days. Part-time employees accrue sick leave credits on a pro rata basis. Sick leave does not accrue during leaves of absence or other inactive or unpaid periods.

Subject to proper notification and medical certification, sick leave may be used in the event of an employee's own illness or injury or preventive care, or that of a family member, including time off to seek medical attention, psychological counseling, and safe housing due to domestic violence, sexual assault or stalking. "Family member" is defined as an employee's spouse, registered domestic partner, child, sibling, parent, grandparent, grandchild, or legal guardian and includes biological, adoption, step or foster care relationships.

All other employees (e.g. temporary employees) who work in California for 30 or more days within one year from their date of hire will receive an allotment of three (3) days (or 24 hours) of paid sick leave for the employee's own illness or injury, or that of a family

member as defined above. At the end of each calendar year, any unused paid sick leave will not roll over. At the beginning of each calendar year, the employee will receive an allotment of three days (or 24 hours) of paid sick leave. The allotment will occur on the date of hire but sick leave may not be used until the employee has completed 90 days of employment.

Employees who separate from the Company and are rehired within one year from the date of separation will have their previously accrued and unused paid sick days reinstated and will be eligible to use their previously accrued sick days.

Employees must notify their supervisor or Department Head reasonably in advance of any scheduled medical appointments including the specific date and time of the appointment. Employees may be required to provide a medical provider note for each appointment indicating the date and time of the appointment.

For emergency situations, where advance notice is not possible, employees must call into their supervisor or Department Head if their supervisor is not available, at least one (1) hour before their regular work schedule would begin. Emergency situations are those where an employee or family member experiences a sudden onset of a medical condition, a flare-up of an on-going medical condition, or an accident or other unexpected occurrence.

For absences that are more than three (3) consecutive scheduled work days, employees must provide medical certification to Human Resources that indicates specifically that the employee is unable to work on the dates in question, the dates and times of any and all medical appointments or treatments, a return to work date and any work restrictions. If an employee's or family member's illness is expected to last more than three working days, employees must contact Human Resources, who will determine if a leave of absence is appropriate.

Employees should notify their immediate supervisor when sick leave is used for family illness purposes.

Unused sick leave credits are not paid out upon termination.

## 6.3 Personal Days

Full-time employees may accrue up to two (2) Personal Days each calendar year. Part-time employees who regularly work at least 20 hours per week may accrue such Personal Days on a pro-rata basis. These days may be taken for religious holidays or other personal occasions. Accrued and unused Personal Days can be carried over at the end of the year, but once the maximum accrual is reached, no further Personal Days will accrue until some of the credits are used.

For scheduling and planning purposes, all employees must provide reasonable advance notice of their request for Personal Days, which must be pre-approved by their Department

Head and the Executive Director or Deputy Director. Personal Days must be taken in full-day units and not hourly increments.

## 6.4 Bereavement

It is the policy of CHDC to grant up to four (4) workdays of paid time off in the event of the death of an immediate family member. An immediate family member for this policy includes: spouses, registered domestic partners, siblings, children, parents, in-laws, and grandparents.

## 6.5 Voting Time Off

If you do not have sufficient time to vote in a statewide public election before or after working hours, you may do so at the beginning or end of your shift and the Company will pay you for up to two hours for this purpose. You must provide at least two days' advance to the Deputy or Executive Director.

## 6.6 Jury Duty/Witness Duty/Court Hearings

CHDC recognizes and supports all employees' civic responsibilities associated with jury and witness duty. Employees receive their regular pay while serving on a jury, less the jury service amounts they receive from the government.

Employees may use their accrued Vacation Leave during time off to appear as a witness in court in a non-official (non-job related) capacity pursuant to a subpoena. If an employee is a victim of a crime, or is needed to assist a family member who is a crime victim or if an employee needs time off for legal proceedings (e.g. to obtain a temporary restraining order) or medical treatment related to domestic violence, sexual assault or stalking, reasonable time off will be provided.

Employees must submit a copy of the jury summons, subpoena or other court documentation to their immediate supervisor prior to the absence. Employees shall not be discriminated or retaliated against for taking time off for these purposes.

If your attendance at court is required for a partial day, you are expected to report to work for the remainder of that day. If your attendance is required for a full day, you are not expected to perform any work for CHDC for that day unless specifically requested to do so. Exempt employees will not have any partial days deducted from their salaries for this purpose.

## 6.7 Time Off for Military or Civil Service and Spousal Deployment

Military Leave is available to employees who are called for active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty, are absent from work for an examination to determine fitness for any of these types of duty, are called for short-term military duty, such as summer training, call to active duty for national disasters, riots, or other short-term emergency situations. Employees are to

submit all required medical and military-related documentation in a timely manner. CHDC will continue paying its portion of group health plan premiums for one month from the beginning of such Military Leave.

Military leaves of absence are unpaid and may not exceed five years on a cumulative basis, subject to certain exceptions that extend this period. Upon your release from military duty, you will be reinstated to at least a position of equivalent seniority, status and pay, along with the rights and benefits that you would have attained but for the military service (unless there is a legitimate business reason unrelated to the leave or your release was under dishonorable or punitive conditions).

Non-seniority benefits, such as Vacation and Sick Leave, will not continue to accrue during the military leave, however, your Vacation accrual rate may increase upon your return depending on your total years of service. Reinstatement will be made within a reasonable period of time from your notice of return from military leave. The Company will make reasonable efforts to enable you to qualify for reemployment. You will be provided with more information about the specific dates for application for reemployment and/or returning to work.

Employees required to attend yearly Reserve or National Guard duty may apply for an unpaid military leave of absence not to exceed 17 days (including travel). Employees who are members of the civil air patrol may take up to 10 unpaid days off per calendar year to participate in emergency operational missions. Notify the Department Head and Human Resources as far in advance as possible.

Employees who are members of the civil air patrol may take up to 10 unpaid days off per calendar year to participate in emergency operational missions. Eligible employees must notify their supervisor and Human Resources of the need to for leave as far in advance as possible.

If an employee's spouse is a member of the Armed Forces who has been deployed during a period of military conflict to an area designated as a combat theater or combat zone by the President, or their spouse is a National Guard or Reserves member who has been deployed during a period of military conflict, the employee may take up to ten (10) days of unpaid leave during the period in which their spouse is on leave from deployment (provided the employee regularly works an average of 20 or more hours per week). Employees must provide written notice of their request for leave at least two (2) business days from receiving official notice that their spouse will be on leave from deployment.

## 6.8 Time Off For School Activities of Children

Parents, guardians, or grandparents with custody of a child in kindergarten, grades 1-12, or a child care provider may take up to 40 hours per year of unpaid time to find or enroll a child in school or with a licensed child care provider, to participate in a school or child care provider activity, or to address a child care provider or school emergency. School activity time off is limited to eight hours in any calendar month. Employees must provide advance notice to their Department Head and may be asked to provide documentation of the reason

for the time off. Employees may use accrued vacation time for this purpose. Paid Sick Leave may be used for time off due to a child's illness.

If both parents work for CHDC, only one parent -- the first to provide notice -- may take the time off, unless CHDC approves both parents taking time off simultaneously.

Employees may also be granted unpaid time off to attend a school conference involving the possible discipline or suspension of their child. Notify the Department Head if time off is needed for this reason.

## 6.9 Leave Without Pay

Leave without pay for up to five (5) working days may be granted at the discretion of the Executive Director. It is intended to cover situations in which an employee has exhausted vacation and sick leave credits and needs additional time off for personal or other reasons that are not covered by another form of time off or leave of absence. These requests will be handled on a case-by-case basis and will depend on business and organizational needs.

## 6.10 Wage Replacement Benefits

Employees may be eligible for wage replacement benefits according to State Disability Insurance (SDI) or Paid Family Leave (PFL). SDI and PFL are state-mandated partial income replacement programs funded through employee-paid taxes. Following a 7-day eligibility period, SDI provides weekly benefits from the State for periods in which you are unable to work due to a "disability." PFL provides weekly benefits for up to 6 weeks (and up to 8 weeks beginning July 1, 2020) in a 12-month period for time off due to a family member's serious health condition or for new child bonding time. Employees must use 80 hours of accrued vacation (or up to this amount if the total accrued vacation hours are less than 80) prior to becoming eligible to receive PFL benefits. Employees may be paid their accrued vacation during time off in conjunction with your receipt of wage replacement benefits.

## 6.11 Pregnancy Disability Leave

If you are disabled by pregnancy, childbirth or related medical condition and unable to perform any one or more of the essential functions of your position without undue risk to yourself, the successful completion of your pregnancy or to other persons because of pregnancy or childbirth, or because of any medically recognized physical or mental condition that is related to pregnancy or childbirth, or you must be absent for prenatal care or post-partum recovery, you may take up to four months of unpaid job-protected leave, depending on the period of actual disability. Medical certification is required and employees are to provide as much advance notice as possible prior to the beginning of the time off period. There is no length of service requirement for eligibility.

This time off is unpaid meaning that your regular salary or pay will be suspended during your time off. However, employees may elect to use their accrued sick and/or vacation leave credits to pay them during the leave period. California State Disability Insurance

(SDI) benefits may be available as wage replacement benefits during some or all of this time period. It is the employee's responsibility to file a claim with the State for these benefits. If SDI benefits are paid to the employee, CHDC will pay out the employee's sick and vacation leave credits, if elected, in an amount, which makes up the difference between the employee's regular amount of wages and the SDI benefits received from the State.

CHDC will continue paying its usual portion of group health plan benefits for employee coverage during the Pregnancy Leave up to a maximum of 4 months unless the employee has notified CHDC of an intent not to return to work. Employees who pay additional amounts (for example, for dependent care) before the leave period, will continue paying the same amount during the leave period.

You will continue paying the same portion of group health plan premiums as prior to the leave period, which will be deducted from vacation or sick leave paid to you. If premiums are raised or lowered during the leave, you will pay the new premium rates. If your vacation or sick leave credits are exhausted or you are otherwise on unpaid status, you will be provided with written confirmation of the arrangements for your payment of premiums up to the maximum period in which the Company pays its portion of premiums. You may also pre-pay your premiums before your leave begins.

Your group health benefits will end on the last day of the month after one of the following events: 1) you have been on leave and received continued benefit coverage for up to 4 months; 2) your employment ends; or 3) you have failed to pay premiums in a timely manner. The Company may recover your share of any premium payments missed (or unpaid) by you for any period during which the Company paid your share. If group health benefits coverage lapses due to nonpayment, upon your return from leave, the Company will restore the coverage and benefits equivalent to those you would have had if leave had not been taken and the premium payment had not been missed. The Company may recover premiums it paid during your Pregnancy Disability Leave if you fail to return from leave so long as the failure is not because you are continuing on an authorized leave, you are unable to work because of continuing medical issues relating to pregnancy or other circumstances beyond your control.

You will be mailed information about your rights to continue group health coverage under COBRA after the qualifying event.

Before returning to work, you must provide a release to return to work from your health care provider which identifies any medical restrictions or job accommodations. If there are restrictions, the Company will determine if they can be accommodated without undue hardship according to its legal obligations.

Employees who will be expressing milk upon their return to work from Pregnancy Leave should contact HR for information regarding lactation accommodations and to submit a request. The Company will respond to such requests within five business days and will engage in an interactive dialogue with the employee. The Company will provide a safe, clean area, free of toxic and hazardous materials, in close proximity to your work area, as

well as reasonable break time. Employees requesting such an accommodation are protected from retaliation. In the event the Company is unable to provide such a location because of undue hardship, it will notify the employee.

If you have any issues or concerns regarding your request or the accommodation provided, contact the Executive or Deputy Director or you may notify the Labor Commissioner.

## 6.12 Baby Bonding Leave

Employees who have been employed for at least one year, worked at least 1,250 hours in the year preceding the leave and so long as the Company has 20 or more employees are eligible to take up to 12 work weeks of job-protected leave for new child bonding time following the birth, adoption or foster child placement of a child (which must be taken during the first year of the birth or placement of the child). If both parents are employed by the Company and meet the eligibility criteria, they may take a combined total of 12 work weeks of leave. Leave may be taken on an intermittent basis only if consistent with the business needs of the Company and approval of your supervisor or manager. The basic minimum duration of such a leave is two weeks. If you need to take an intermittent leave for a period less than two weeks, contact Human Resources. We can accommodate such requests up to two times.

Baby Bonding Leaves are unpaid, meaning that your regular salary or pay will be suspended during your time off. However, you may be eligible for income through the California Paid Family Leave program (PFL), administered by the state Employment Development Department (EDD). This program pays eligible employees a predetermined weekly benefit. It is your responsibility to complete and submit the claim form to the Employment Development Department. Paid Family Leave benefits are payable for up to six (6) weeks of time for new child bonding time.

If PFL benefits are paid to the employee, CHDC will pay out the employee's sick and vacation leave credits, if elected, in an amount, which makes up the difference between the employee's regular amount of wages and the PFL benefits received from the State.

The Company will continue paying its portion of premiums for your group health plan benefits for up to 12 work weeks. You will continue paying the same portion of group health plan premiums as prior to the leave period, which will be deducted from vacation or sick leave paid to you. If premiums are raised or lowered during the leave, you will pay the new premium rates. If your vacation or sick leave credits are exhausted or you are otherwise on unpaid status, you will be provided with written confirmation of the arrangements for your payment of premiums up to the maximum period in which the Company pays its portion of premiums. You may also pre-pay your premiums before your leave begins.

Your group health benefits will end on the last day of the month after one of the following events: 1) you have been on leave and received continued benefit coverage for up to 12 work weeks; 2) your employment ends; or 3) you have failed to pay premiums in a timely

manner. The Company may recover your share of any premium payments missed (or unpaid) by you for any period during which the Company paid your share. The Company may recover premiums it paid during your leave if you fail to return from leave so long as the failure is not because you are continuing on an authorized leave, you are unable to work because of medical issues or other circumstances beyond your control.

You will be mailed information about your rights to continue group health coverage under COBRA after the qualifying event.

### 6.13 Workers' Compensation Leave

Employees who are unable to perform the essential functions of your job for more than five (5) consecutive work days due to a work-related injury or illness that is covered by CHDC's workers' compensation insurance or are receiving payment of wage replacement benefits through CHDC's workers' compensation insurer may take a Workers' Compensation Leave. To be eligible, there is no length of service requirement, but you must submit all required medical and related documentation in a timely manner.

Employees do not receive their regular pay during Workers' Compensation Leaves. Beginning on the first day of the leave and continuing through the waiting period for workers' compensation disability benefits, the Company will deduct accrued sick or vacation leave in full-day increments.

CHDC will continue paying its usual portion of benefit plan premiums during this leave period for employee coverage for up to 12 work weeks. You will continue paying the same portion of group health plan premiums as prior to the leave period, which will be deducted from any sick or vacation leave paid to you.

In general, a workers' compensation professional will be assigned by the company's insurer to coordinate with HR regarding each employee's return to work following a work-related injury or illness. You are expected to fully cooperate in this process, which may include obtaining medical certifications from your health care provider.

If you are able to return to your job without any work restrictions before your leave period expires, notify HR and your supervisor of your specific return to work date. You may be required to submit a medical certification that you are able to return to work.

If you are able to return to your job before your leave period expires, but only with work restrictions, you must provide written documentation from your health care provider of the restrictions and the expected duration. HR may need to provide the health care provider with specific information about your job duties and will coordinate with your supervisor or manager, as necessary. If the work restrictions are of a permanent nature, the company will determine and provide reasonable accommodations, consistent with its legal obligations. If the work restrictions are of a temporary nature, the company will determine whether and for how long reasonable accommodations can be made.

Each workers' compensation leave is handled on a case-by-case basis with respect to the total amount of leave based on the job, the business requirements and related factors. The following are general guidelines. If you are unable to return to work at the end of your approved leave period and your medical status continues to be rated as "temporary disability" or other rating having similar meaning and effect, your Workers' Compensation Leave may be extended until a determination can be made of your return to work status. When your medical status is rated as "permanent," "medical maximum improvement," or other rating having similar meaning and effect, and you are unable to return to an open position for which you are qualified or reasonable accommodations cannot be made, your employment will be terminated.

## 6.14 Time Off Accommodations for Employees with Disabilities

Employees who require additional time off beyond the maximum leave of absence period for any type of medical-related leave or who need to take time off and are not otherwise eligible for a leave should notify Human Resources. CHDC will comply with its legal requirements under the Americans with Disabilities Act, the California Fair Employment and Housing Act and any other applicable law or regulation and will make reasonable accommodations, as necessary. Time off as a disability accommodation must be a reasonable period that is finite in length (e.g., a particular date) so as to enable the employee to return to work and that does not create an undue hardship.

If you believe you are a "qualified individual with a disability" under the ADA or applicable state law, and you need an accommodation to perform the essential functions of your position, notify HR for information and assistance. Your health care provider will need to complete a medical certification regarding your medical restrictions and job accommodation recommendations. HR will provide these forms to you. After engaging in an interactive discussion with you regarding the requested accommodation, the company will determine what, if any, accommodations are reasonable and communicate its decision to you.

If your requested accommodation is a reduction in regular work hours, your pay may be reduced accordingly. Since each job accommodation is unique, certain restrictions may apply, such as requirements regarding additional medical certification or advance notice for absences.

CHDC will continue paying its usual portion of benefit plan premiums during this leave period for employee coverage for up to 12 work weeks. You will continue paying the same portion of group health plan premiums as prior to the leave period, which will be deducted from any sick or vacation leave paid to you.

## 6.15 Organ/Bone Marrow Donor Time Off

Employees who need time off in order to engage in organ donation may take up to thirty (30) work days of job-protected time off in any one-year period (measured from the start date of the leave and for 12 consecutive months thereafter). Such employees must use their

accrued sick or vacation time for the initial 14 days. The remaining leave period is paid, including through short-term disability benefits provided by State Disability Insurance. If medically necessary, employees may take up to an additional thirty (30) work days of job-protected time off during the same one-year period, which will be unpaid.

Employees who need time off in order to engage in bone marrow donation may take up to five work (5) days of job-protected time off in any one-year period (measured from the start date of the leave and for 12 consecutive months thereafter). Such employees must use their accrued sick or vacation time.

Employees must submit medical certification at the time of the requested leave or within two work days, which confirms their donor participation and demonstrates the medical need for it.

CHDC will continue paying its usual portion of benefit plan premiums during these leave periods for employee coverage. You will continue paying the same portion of group health plan premiums as prior to the leave period, which will be deducted from any sick or vacation leave paid to you.

## 6.16 Time Off Due to Domestic Violence or Sexual Assault

Unpaid time off is available for employees to seek medical attention for injuries caused by domestic violence, sexual assault or stalking (as those terms are defined by California law); to obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence or sexual assault; to obtain psychological counseling related to an experience of domestic violence or sexual assault; and/or to participate in safety planning and take other actions to increase safety from future domestic violence or sexual assault (including temporary or permanent relocation). Upon written request, the Company will make reasonable accommodations for the safety of such employees unless undue hardship would result.

The Company will take all reasonable steps to protect the privacy and confidentiality of the employee's personal situation. You will need to submit all required medical and related documentation or certification to Human Resources in a timely manner and provide as much advance notice as is feasible. Human Resources will notify you if this time off qualifies for a leave of absence and the impact on your benefits. As applicable, it will review reasonable accommodation alternatives with you and notify you of its determination in this regard.

Employees who are victims of domestic violence, sexual assault, stalking, or a crime (or whose family member is a victim of a crime) may take reasonable unpaid time off to obtain court orders for safety purposes. Employees may also take reasonable unpaid time off to attend court proceedings when they are the victim of a crime or their presence is needed to assist an immediate family member during court proceedings related to the crime or to attend other proceedings in which the right of the victim is at issue. You may need to submit court documentation to Human Resources.

## 6.17 Voluntary Entry Into A Drug or Alcohol Rehabilitation Program

Employees who voluntarily enter a drug or alcohol rehabilitation program may take unpaid time off to do so unless it would cause undue hardship to CHDC. Contact Human Resources for more information. Human Resources will notify you if this time off qualifies for a leave of absence and the impact on your benefits.

## 6.18 Other Types of Time Off And Accommodations

CHDC complies with all applicable federal and state laws and will make reasonable accommodations for qualifying employees for religious reasons, to obtain literacy assistance and other reasons protected by federal, state and local law. Contact Human Resources for more information.

# Employee Benefits

## 7.0 Group Health Benefits

CHDC has established a group benefits plan and pays a portion of the health insurance premiums, which generally includes regular full-time and part-time employees who work at least 20 hours per week. Employees pay the full cost for dependent care coverage. The specific eligibility and coverage requirements as well as plan administration and employees' rights and responsibilities under each plan are described in the benefit plan or trust documents, which are summarized in the Summary Plan Descriptions for each plan. These are the controlling legal documents in the event of any conflict or ambiguity.

## 7.1 Continuation of Health Benefits

If an employee loses health care coverage under CHDC's group health plan because of a reduction in hours of employment or the termination of employment (for reasons other than gross misconduct), the employee and/or his or her eligible dependents may be eligible to continue their medical coverage under CHDC's group health plan, at their own expense, for a specific period of time. Information will be mailed about these rights to continue group health coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (known as "COBRA coverage") after the qualifying event. The employee and his or her covered spouse and/or dependent children, if any, are entitled to continue coverage under CHDC's group health plan up to 18 months from the date of the qualifying event. The terms of such continuation coverage for registered domestic partners will depend on California law and the plan provisions. The employee or family member(s) must pay the full cost of coverage plus an administration fee.

The 18-month COBRA coverage period may be extended for the following reasons: death of the employee, divorce, legal separation, loss of dependent status, entitlement to Medicare, disability determination by Social Security, the employer's bankruptcy, or the birth or adoption of a child. California law provides that employees may extend COBRA coverage up to 36 months for medical coverage.

## 7.2 Expense Reimbursement

Authorized reasonable "out of pocket" business expenses are reimbursed to employees on a monthly basis. The Executive Director must approve out of pocket business expenses and local travel expenses.

Employees will be reimbursed on an "at cost" basis for authorized travel from the office to the point or points required by work assignment and return to the office. Employees must submit a *Claim for Travel and Mileage Reimbursement* to their immediate supervisor, on a monthly basis. Parking expense will be reimbursed to the extent that employees are working in the field and the location has no parking or free space is unavailable.

Employees will not be reimbursed for the cost of tickets issued because of parking and/or other traffic violations. Employees will not be reimbursed for any other travel related expenses.

## 7.3 Retirement Plan and Other Benefits

Eligible employees may participate in a tax-deferred retirement plan (known as a Section 403b plan). For more information, contact HR.

CHDC offers other benefits that employees may elect, such as, life insurance and long-term disability insurance benefits.

# Community Housing Development Corporation (CHDC) – Sonoma Estates Project

# CITY OF VALLEJO AFFORDABLE HOUSING DEVELOPMENT APPLICATION
# FY 2022-23

## APPLICANT INFORMATION

**Instructions:** Complete all information in shaded cells. Print tab when completed and provide signature where indicated.

| | |
|---|---|
| Developer Organization Name | Community Housing Development Corporation |
| Address 1 | 1535 Fred Jackson Way |
| Address 2 | |
| City | Richmond |
| State | Ca |
| Zip | 94801 |
| Main Telephone Number | (510) 412-9290 |
| Website Address | https://communityhdc.org/ |
| EIN (XX-XXXXXXX) | 68-0235719 |
| DUNS Number (XXXXXXXXXXXXX) | 867643793 |
| Fiscal Year Ends | 31-Dec |
| Located in Solano County? | No |
| How many years in existence? | 31 |
| Ownership Entity (LLC, LP?) | 501c3 Corporation |

**CEO/Executive Director**

| | |
|---|---|
| First Name Last Name | Donald Gilmore |
| Title | Executive Director |
| Email | dgilmore@communityhdc.org |
| Telephone | (510) 221-2515 ext=215 |

**Developer Contact Information**

| | |
|---|---|
| Project Contact Person | Joanna Griffith |
| Project Contact Telephone | (510)221-2511 ext.=211 |
| Project Contact Email | jgriffith@communityhdc.org |

## Authorized Signature of Executive Director

| | |
|---|---|
| Full Name | Donald Gilmore |
| Title | Executive Director |
| Signature: | |

Sonoma ESTATES

# CITY OF VALLEJO AFFORDABLE HOUSING DEVELOPMENT APPLICATION
## FY 2022-23

## PROJECT PROFILE

**Instructions:** Complete all information in shaded cells. Print tab when completed.

| | | |
|---|---|---|
| Funding Source - HOME (non-CHDO) | $ | 500,000 |
| Funding Source - HOME CHDO | $ | 50,000 |
| Funding Source - CDBG | $ | 567,828 |
| **Total Amount Requested** | $ | 1,117,828 |
| Total Project Cost | $ | 9,334,000 |
| Current Project Gap | $ | 1,067,828 |
| Project Type (New Construction, Acquisition/Rehab) | New Construction | |
| Project Tenure (Rental, Ownership) | Ownership | |
| Project Type (Permanent Housing, Permanent Supportive Housing, Both) | Permanent Housing | |
| Total Number of Units | 11 | |
| Total Affordable Units for Extremely Low Income (0-30% AMI) | 0 | |
| Total Affordable Units for Very low Income (31-50% AMI) | 0 | |
| Total Affordable Units for Low Income (51-80% AMI) | 5 | |
| Total Units for 81-120% AMI | 6 | |
| Total Units above 120% AMI | 0 | |
| Project Affordability Period (# Years) | 20 | |
| Number of Stories | 3 | |
| Parking Type (Structure or Surface or Both) | Surface | |
| Housing Style (Stacked flats, townhomes, scattered single family, attached single family) | Townhomes | |
| Number of Parking Spaces | 22 | |
| Current Zoning/Use | NMX | |
| Proposed Zoning/Use | NMX | |
| Number of Parcels | 11 | |
| Lot Size (SF) | 30,056 | |
| Parking Area (SF) | 2,373 | |
| Residential (SF) | 17,740 | |
| Commercial Areas (SF) | N/A | |
| Total Building SF | N/A | |
| Number of Units to be accessible to people with physical disabilities | 1 | |
| Number of Units to be accessible to people with auditory or visual disabilities | 1 | |
| Number of Adaptable Units in project | 5 | |
| Enter the Project's Build-it-Green GreenPoint Rated or LEED Score | 0 | |

# CITY OF VALLEJO AFFORDABLE HOUSING DEVELOPMENT APPLICATION
# FY 2022-202

## PROPOSAL QUESTIONS

**Instructions:** Complete all information in shaded cells. Print tab when completed.

**Question #**

1 **Describe neighborhood access and amenities, including proximity of site in miles to nearest full-scale grocery store, transit station/hub, bus stop, ferry terminal, public park, recreation center or community center, senior services (if applicable to project target population), schools (if applicable to project target population).**

The project is located along a major arterial boulevard in the City of Vallejo -- Sonoma Blvd. This is considered by Caltran as Route 29 and under their direct control. However, the project site location offers homebuyers several key benefits such as quick freeway access to major employment hubs in San Francisco/Oakland metro area. For public transportation commuters, the site offers less than 1.0miles to the main City of Vallejo transfer center, Curtola Park-N-Ride. Additionally, ferry commute is available and located less than 2.0miles from the project site for a water taxi to San Francisco Embarcadero Center. The site also offers community amenities such as a local CVS pharmacy located on Sonoma Blvd, Safeway full-service store, and banking activities are all within a 2.0mile radius. Please see the attached map showing the distance to amenities. G14

2 **Unit Mix and Income Targeting: Complete grid.**

| Affordability Level | Studio | 1-BR | 2-BR | 3-BR | 4-BR | TOTAL |
|---|---|---|---|---|---|---|
| 0-30% AMI | | | | | | 0 |
| 31-50% AMI | | | | | | 0 |
| 51-80% AMI | | | | | 5 | 5 |
| 81-120% AMI | | | | 6 | | 6 |
| Above 120% AMI | | | | | | 0 |
| **TOTALS** | **0** | **0** | **0** | **6** | **5** | **11** |

3 **Describe target population(s) to be served by project - e.g. seniors, families, homeless, special needs, people with disabilities, veterans, transition aged youth, etc.**

The project is home ownership and can serve a variety of populations at income levels between 70%-120% AMI.

4 **Readiness to Proceed: Does the project have site control? If so, describe form of site control and attach documentation (grant deed, purchase agreement, long term lease)**

Yes. Fee Title

**Readiness to Proceed: Does the project have its CEQA environmental review clearances? Respond yes/no. Include dates received or expected. Attach**

| | |
|---|---|
| 5 | **documentation.** |
| | No, CEQA is not required under SB-35 application process. The SB35 approval is expected March 30, 2022. Please see attached application. |
| 6 | **Readiness to Proceed: Describe project's community outreach and engagement efforts. Attach Community Outreach Plan and evidence of completed efforts.** |
| | Yes, extensive community outreach and engagment has occurred. Beginning with our efforts of holding a community outreach and engagement and home ownership training at the Norman King Center. From that community meeting a interest list was created and will be the first contacts once the marketing plan initiates. Additional outreach will be given to those homebuyers holding CHDC Homebuyer trainning certificates. |
| 7 | **Readiness to Proceed: Does the project have its planning approvals? Respond yes/no. Include dates received or expected. Attach documentation (resolutions, staff reports, permits, amendments)** |
| | No. The SB35 application has been submitted and is currently pending approval. It is anticipated approval will be obtained by June 30, 2022. See attached. |
| 8 | **Resident and/or Supportive Services Plan: Describe the planned resident services and supportive services (if special needs project); describe MOUs entered into with service provider organizations as applicable. Attach documentation (MOUs, Resident Services Plan, Support Services Plan)** |
| | N/A |

## CITY OF VALLEJO AFFORDABLE HOUSING DEVELOPMENT APPLICATION
## FY 2022-23

### Project Schedule

**Instructions:** Enter project milestones in Column A. Enter month/year that milestone was or will be completed in Column C. Enter yes/no in Column E for completion status. Add rows as required to tailor to your project. Print tab when completed.

| Activity/Milestone | Month/Year Completed | Completed? |
|---|---|---|
| Site Acquisition | | 100% |
| Community Engagement Process | | 65% |
| Schematic Design Completed | December-20 | 25% |
| Predevelopment Milestone: Plan Resubmittal/SB35 | March-21 | 15% |
| Predevelopment Milestone: 90 - Day Approval Process | April-22 | 0% |
| Predevelopment Milestone: Lot adjustment | March-22 | 0% |
| CEQA Approvals | N/A | 0% |
| NEPA Approvals | May-22 | 60% |
| Tax Credit Application Submittal | N/A | 0% |
| Tax Credit Application Approval | N/A | 0% |
| Other Funding Source Application Submittal | March-22 | 0% |
| Other Funding Source Application Approval | May-22 | 0% |
| Other Funding Source Application Submittal | April-22 | 0% |
| Other Funding Source Application Approval | April-23 | 0% |
| Enter into General Contractor contract | March-22 | 25% |
| Obtain Building Permit | December-22 | 0% |
| Construction Loan Closing | May-22 | 0% |
| Site Clearance Activities | August-22 | 0% |
| Construction Start | August-22 | 0% |
| Lease Up Plan Completed | N/A | 0%% |
| Sales Plan Completed | July-22 | 50% |
| Begin marketing | February-23 | 25% |
| Construction Completion | October-23 | 0% |
| Rent Up Start Date | N/A | 0% |
| 100% Occupancy | December-23 | 0% |
| Permanent Loan Closing | N/A | 0% |
| Other | | |
| Other | | |
| | | |
| | | |
| | | |

Schedule Narrative: You may include a narrative to accompany the project schedule if desired (optional).

The project has been refined in its design to assist with maintaining a more individual ownership concept. It has required a resubmission adjustment to the SB35 Application which planning will issue their comments. We anticipate that planning approvals will be obtained by May 1, 2022 and thus allow for the project schedule to resume its listed dates. This NOFA

CITY OF VALLEJO AFFORDABLE HOUSING DEVELOPMENT APPLICATION
FY 2022-23

## Developer Experience Matrix

**Instructions:** Complete matrix to demonstrate developer's experience in the past 10 years on the development of housing projects *of similar scope and scale*. Include only projects completed past 10 years. Please do not list more than 20 projects. Print tab when completed.

| Project Name | Address, City, State | New construction or acquisition/rehabilitation | Rental/ Ownership | Total # Units | Total Affordable Units | % AMI (e.g. 30/50/60/80) | Target population(s) | Special Needs population | Year completed |
|---|---|---|---|---|---|---|---|---|---|
| Heritage Point | 1540 Fred Jackson Way, Richmond CA | New Construction | Rental | 42 | 41 | | | | 2019 |
| | 865 43rd, Street Oakland CA 94608 | New Construction | Ownership | 1 | | | | | |
| Miraflores | South 42th Street, Richmond CA | New Construction | Rental | 80 | 79 | | Senior Housing | | 2018 |
| Barrett Plaza | 700 Barrett Ave, Richmond CA 94801 | Rehabilitation | Rental | 58 | 58 | | Multifamily | | 2018 |
| Harp Plaza | 430-28th Street, Oakland CA 94609 | Rehabilitation | Rental | 20 | 19 | | Multifamily | | 2018 |
| James Lee Court | 690-15th Street, Oakland CA 94612 | Rehabilitation | Rental | 26 | 25 | | Multifamily | | 2013 |
| 2100 Griffin Drive, Vallejo, 94589 | 2100 Griffin Drive, Vallejo, 94589 | Rehabilitation | Ownership | 1 | 1 | | Multifamily | | 2016 |
| 1314 El Dorado, Vallejo, 94590 | 1314 El Dorado, Vallejo, 94590 | Rehabilitation | Ownership | 1 | 1 | | Multifamily | | 2018 |
| 173 Simonton, Vallejo CA 94589 | 173 Simonton, Vallejo CA 94589 | Rehabilitation | Ownership | 1 | 1 | | Multifamily | | 2016 |
| 102 Broadway, Vallejo CA 94590 | 102 Broadway, Vallejo CA 94590 | Rehabilitation | Ownership | 1 | 1 | | Multifamily | | 2016 |
| 518 Diana Dr, Vallejo CA 94589 | 518 Diana Dr, Vallejo CA 94589 | Rehabilitation | Ownership | 1 | 1 | | Multifamily | | |
| 607 Mark Avenue, Vallejo CA 9458 | 607 Mark Avenue, Vallejo CA 94589 | Rehabilitation | Ownership | 1 | 1 | | Multifamily | | 2014 |
| 105 Los Gatos Ave, Vallejo CA 945 | 105 Los Gatos Ave, Vallejo CA 94589 | Rehabilitation | Ownership | 1 | 1 | | Multifamily | | 2014 |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

*Unit Size and Affordability Worksheet (Rental)*

NOT APPLICABLE — NOT A RENTAL PROJECT.

| | |
|---|---|
| Project Name | |
| # of Units | |
| Total # of Bedrooms | |

*Enter one type of unit per row; add rows if necessary.*

**Rental: Affordable Units**

| | # of Units | Unit Type (#BR / #Bath) | Square Footage | Maximum Tenant Income (AMI) | Per Unit Monthly Rent (Estimated Tenant Contribution) | Name of subsidy that is applied to the unit (If any) | Per Unit Amount of Subsidy Applied To The Unit (If Any) | Per Unit Rent Received** | Total Monthly Rent for Unit Type** | Per Unit Monthly Utility Allowances* | Total Gross Monthly Payment Per Unit (Incl. Utilities) | Accessible Unit? (Mobility, Visual/Hearing, etc.) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | 0 | 0 | | 0 | |
| | | | | | | | | 0 | 0 | | 0 | |
| | | | | | | | | 0 | 0 | | 0 | |
| | | | | | | | | 0 | 0 | | 0 | |
| | | | | | | | | 0 | 0 | | 0 | |
| | | | | | | | | 0 | 0 | | 0 | |
| | | | | | | | | 0 | 0 | | 0 | |
| | | | | | | | | 0 | 0 | | 0 | |
| | | | | | | | | 0 | 0 | | 0 | |
| | | | | | | | | 0 | 0 | | 0 | |
| | | | | | | | | 0 | 0 | | 0 | |
| | | | | | | | | 0 | 0 | | 0 | |
| Total # Units | 0 | | | | | Total Monthly Rental Income | | | $0 | | | |

**Managers' Units*****

| Indicate percentage of AMI used to calculate rents (e.g., 30% of 50% of AMI) | # of Units | Unit Type (#BR / #Bath) | Square Footage | | | | | Proposed Monthly Rent | Total Monthly Rents |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | 0 |
| | | | | | | | | | 0 |
| | | | | | | | | | 0 |
| Total # Units | 0 | | | | | Total Monthly Rental Income | | | 0 |

Rents in this column may not exceed Maximum Rents Per Addendum, Income, Rent & Housing Payment Limits

**Market Rate Units**

| | # of Units | Unit Type (#BR / #Bath) | Square Footage | | | | | Proposed Monthly Rent | Total Monthly Rents |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | 0 |
| | | | | | | | | | 0 |
| | | | | | | | | | 0 |
| Total # Units | 0 | | | | | Total Monthly Rental Income | | | 0 |

**Summary Affordability**

| Affordability Level (% of Area Median Income) | 0-BR | 1-BR | 2-BR | 3-BR | Total Units | # of HCD units by income level | # and size of HCD units for which funding is requested |
|---|---|---|---|---|---|---|---|
| 15% of AMI | | | | | 0 | | |
| 30% of AMI | | | | | 0 | | |
| 35% of AMI | | | | | 0 | | |
| 40% of AMI | | | | | 0 | | |
| 45% of AMI | | | | | 0 | | |
| 50% of AMI | | | | | 0 | | |
| 60% of AMI | | | | | 0 | | |
| 80% of AMI | | | | | 0 | | |
| Above 80% of AMI (market rate) | | | | | 0 | | |
| Resident Manager's Unit | | | | | 0 | | |
| TOTAL | 0 | 0 | 0 | 0 | 0 | 0 | |

**Annual Rental Revenue**

| | |
|---|---|
| Total Monthly Rents for ALL units | $0 x12 |
| Total Annual Rents for ALL Units | $0 |

**Tenant-Paid Utility Breakdown**

*Indicate which utilities will be paid by tenant (T) and*

| | Gas | Electric |
|---|---|---|
| Space Heating | | |
| Lighting | | |
| Cooking | | |
| Hot Water | | |
| Water | | |
| Garbage | | |

** Including project-based rental assistance from sources such as Section 8, HOPWA, Shelter Plus Care or similar project-based assistance.
*** Rent for manager's unit(s) should be listed as income here and an expense on the operating budget.

# VALLEJO SONOMA ESTATES NMTC BUDGET:

prepared 7-07-2020
revised: 10-7-19
**Revised: 11-18-21**
**Revised: 1-3-2022**

**CONSTRUCTION COSTS:**

| **CONSTURCTION USES:** | **Original 11 Units** SONOMA ESTATES Original | **NEWLY REVISED 11 Units/** Budget 11-18-21 | | | |
|---|---|---|---|---|---|
| Land/Acquisition | $ 380,629.86 | $ 416,000.00 | | | |
| Holding Costs-inc | $ 55,000.00 | $ 75,000.00 | | | |
| Escrow Closing Costs | $ 5,000.00 | $ 5,000.00 | | | |
| Construction Costs | $ 3,795,000.00 | $ 4,125,000.00 | $ | 375,000.00 | *Per 2-Unit bl |
| Off-Site / Site Work | $ 475,000.00 | $ 375,000.00 | | | |
| a) Joint trench to Lemon | | $ 200,000.00 | | | |
| *(Consultants, Civil, etc)* | | | | | |
| Landscaping | $ 200,000.00 | $ 200,000.00 | | | |
| a) Site Drainage | | $ 75,000.00 | | | |
| Contingency @05% | $ 343,744.09 | $ 248,750.00 | | | |
| General Conditions-.05% | $ 348,744.09 | $ 248,750.00 | | | |
| ***Soft Costs:*** | | | | | |
| Architect / Eng | $ 125,000.00 | $ 235,000.00 | | | |
| Soils Surveys PreDev | $ 28,000.00 | $ 60,000.00 | | | |
| Alta Surveys/Map Filings/Civil | $ 35,000.00 | $ 40,000.00 | | | |
| Construction Testing | $ 30,000.00 | $ 30,000.00 | | | |
| Construction Mngs | $ 25,000.00 | $ 25,000.00 | | | |
| Local Permits/Fees ($90K p/u) | $ 550,000.00 | $ 990,000.00 | *2022 Increases* | | |
| Construction Interest | $ 200,000.00 | $ 300,000.0C30 | | | |
| Loan Fees | $ 75,000.00 | $ 82,500.00 | | | |
| Finance & Soft Contingency | $ 100,000.00 | $ 125,000.00 | | | |
| Lender FINANCING COSTS/RESERVES | $ 275,000.00 | $ - | | | |
| Insurance/Condo/SFR | $ 110,000.00 | $ 80,000.00 | | | |
| Legal/LLMD/Encroahments | $ 50,000.00 | $ 35,000.00 | | | |
| Taxes Carry Cost | $ 39,000.00 | $ 25,000.00 | | | |
| Appraisals | $ 10,000.00 | $ 20,000.00 | | | |
| Escrow Closing on Sales | $ 66,000.00 | $ - | | | |
| Consultants-Construction Mng | $ 30,000.00 | $ 25,000.00 | | | |
| Internal Audit | $ 10,000.00 | $ 10,000.00 | | | |
| Marketing/Models | $ 10,000.00 | $ 3,000.00 | | | |
| Commissions | $ 26,884.00 | $ 225,000.00 | | | |
| LLAD/ Reserves | $ 50,000.00 | | | | |
| *Developer Fee / CalHome Fee* | *$ 750,000.00* | $ 875,000.00 | $ | 1,400,100.00 | (Dev Fee at 1: |
| *NMTC Syndication and 7-Yr Admin* | *$* - | | | | |
| Development Admin Expenses/Past and Current | $ 75,000.00 | $ 150,000.00 | | | |
| Other: Legal - Goldfarb | | $ 30,000.00 | | | |
| Other: | | | | | |
| **TOTAL HARD/SOFT** | $ 8,273,002.04 | $ 9,334,000.00 | | | |
| TOTAL DEVELOPMENT | $ 8,273,002.04 | **$ 9,334,000.00** | | | |
| TOTAL COST P/U-W FEE | $ 752,091.09 | $ 848,545.45 | $ | 848,545.45 | *inc per 2-Uni |
| (Less Cost of ADU) | | | | | |
| Net Cost to Construct | | | | | |

SOURCES:

| | | | | |
|---|---|---|---|---|
| **CONSTRUCTION:** | $ | - | | |
| a). NSP | $ | *957,612.00* | *Approved | |
| b). Construction | $ | *6,941,635.50* | 75%ltv | |
| c). CHDC - PAID | $ | *98,000.00* | | |
| *d) CalHome - Construction* | $ | *500,000.00* | *Approved | |
| *e) CoV CDBG/HOME/Gap* | $ | *180,000.00* | *Approved | |
| *Gap During Construction-City of Vallejo* | $ | *656,752.50* | | $ - |
| | $ | ***9,334,000.00*** | | |

| | | | | | |
|---|---|---|---|---|---|
| **PERMANENT MORTGAGES:** | | | | | |
| 1. HOME SALES | $ | **6,537,320.00** | 2022 Limits | | |
| 2. NSP - GRANT | $ | 957,612.00 | $ | 87,055.64 | |
| *3. CalHome Subsidy - Conversion* | $ | 500,000.00 | $ | 100,000.00 | |
| 4. HOME/CDBG PROGRAM FUNDS | $ | 180,000.00 | $ | 16,363.64 | Per 2-Unit Bldg |
| 5. CHDC | $ | 91,240.50 | | | |
| 6. Overall Gap Financing | $ | **1,067,827.50** | $ | 97,075.23 | inc Per 2-Unit Bldg/ B-Unit 2 Stories |
| | | | $ | - | |
| **TOTAL PERMANENT SOURCES** | $ | **9,334,000.00** | | | |

**HUD SALES LIMITS for SOLANO COUNTY EST. 2021:**

| | | | | |
|---|---|---|---|---|
| **Home Sales Analysis:** | | | | Sales Price pe |
| Sample: | | | | Lot 1 |
| Cost to Construct - Per 2-Unit Building | $ | **848,545.45** | p/u | Lot 2 |
| Less: NSP Funding | $ | **(87,055.64)** | 11-Units | Lot 3 |
| Less: CalHomes | $ | (100,000.00) | p/u @ 5 Units | Lot 4 |
| Less City of Vallejo GapFunding | $ | (97,075.23) | $ - | Lot 5 |
| Less: CHDC Contribution | $ | (8,909.09) | | Lot 6 |
| Less: IIG Grant | $ | - | | Lot 7 |
| Net Affordable Sales Price: | $ | 564,414.59 | | Lot 8 |
| | | | | Lot 9 |
| | $ | 564,414.59 | | Lot 10 |
| Project Meets HUD Standards: | | | | Lot 11 |
| HUD Max. for 2 Units | $ | 672,100.00 | | Total Allowab |
| HUD max for single unit - 2022 est | $ | 600,785.00 | | |

## Evaluation Criteria Summary for City of Vallejo Affordable Housing Projects

| City of Vallejo Affordable Housing Development RFP Evaluation Criteria | Points available | Weighting of Criteria | |
|---|---|---|---|
| Readiness to Proceed (status of environmental and planning approvals; community outreach plan; other financing commitments in place; project schedule reasonableness) | 15 | Project Criteria | 25 |
| Neighborhood Access and Amenities (transit, retail, schools, pharmacy, services access) | 5 | | |
| Project Amenities/features, Accessibility features, and Green Building | 5 | | |
| Targeting to Particular Income Level (e.g., City may give additional points for targeting to extremely low income, special needs, or homeless population) | 10 | Targeting Criteria | 20 |
| Quality of and planning for Resident Services/Supportive Services Provision; partnerships with other service provider agencies | 10 | | |
| Leveraging of City Funding | 5 | Financing Criteria | 30 |
| Operating Costs - Financial Feasibility | 10 | | |
| Development Costs - Financial Feasibility | 15 | | |
| Developer/Sponsor and Property Management Company Experience | 10 | Capacity Criteria | 25 |
| Quality of letters of reference and experience with public agency clients | 10 | | |
| CHDO Bonus Points | 5 | | |
| **Total Points** | **100** | | 100 |

# CITY OF VALLEJO AFFORDABLE HOUSING DEVELOPMENT APPLICATION
# FY 2022-23

## APPLICATION SUPPORTING DOCUMENT REQUIREMENTS

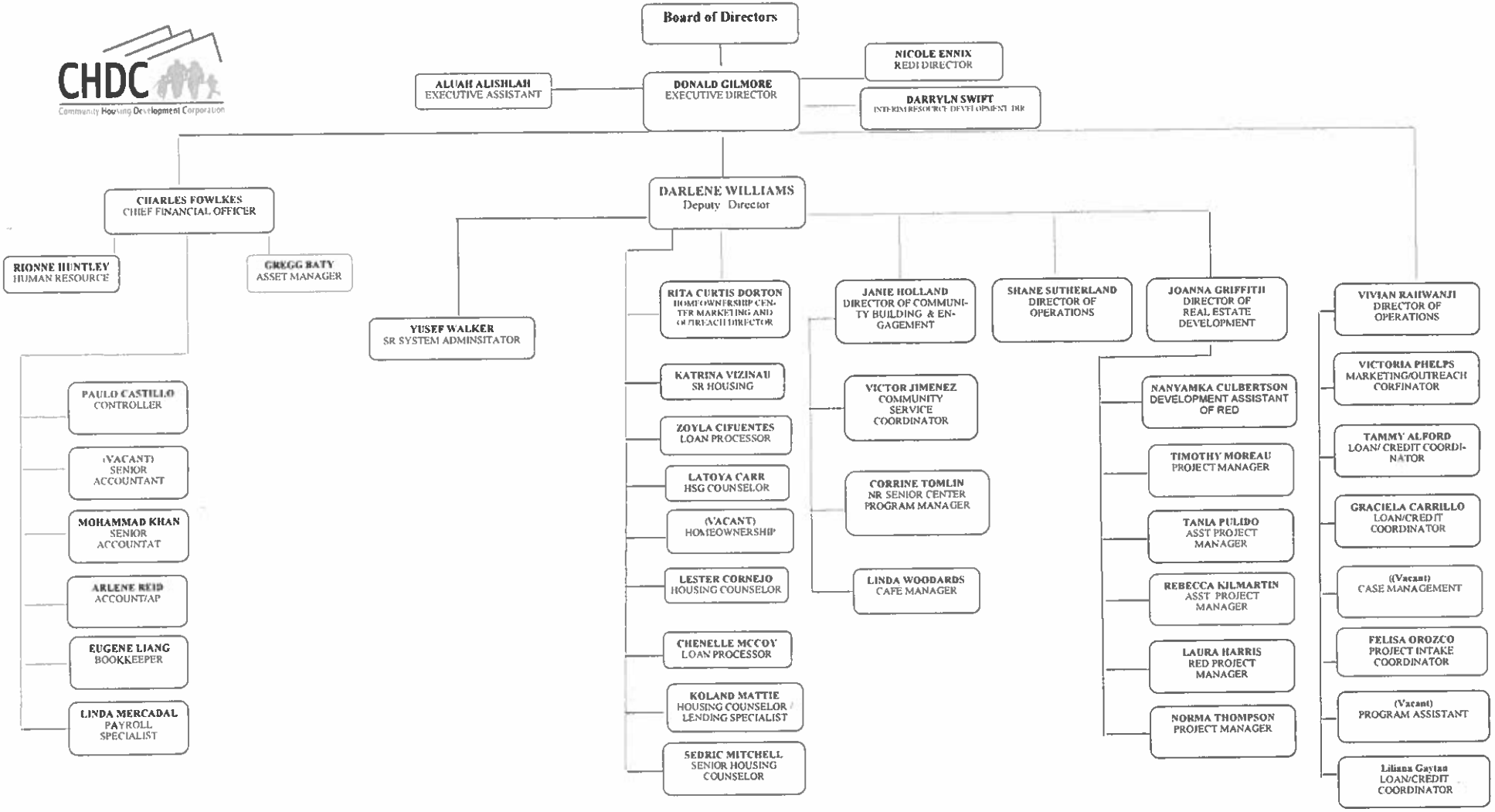
| | |
|---|---|
| **Instructions:** Review document submittal requirements; Print tab when completed and include with proposal submittal. Enter n/a if not applicable | |

| Document Name/Type | |
|---|---|
| Completed Applicant Info Tab | Completed |
| Completed Project Profile Tab | Completed |
| Completed Questions Tab | Completed |
| Completed Schedule Tab | Completed |
| Completed Developer Experience Tab | Completed |
| Completed Doc Requirements Tab | Completed |
| Completed Pro Forma - All required Tabs | Completed |
| Organizational Chart | Completed |
| Resumes and qualifications of Executive Director, Housing Development Director, Finance Director, Director of Asset Management | Completed |
| Resumes and qualifications of Other Key Personnel Associated with project, including project manager | Completed |
| Organization Board of Directors Roster, addresses, telephone numbers, and description of general area of board member's expertise | Completed |
| Resolution authorizing application submittal and authorized signatory for application and contract documents | Completed |
| Organization Overview (can be materials from website or other collateral materials) | Completed |
| Articles of Incorporation | Completed |
| Bylaws | Completed |
| Financial Statements or Audits for last 3 fiscal years | Completed |
| Written Fiscal Policies & Procedures | Completed |
| Written Personnel Policies & Procedures including affirmative action plan and grievance procedure | Completed |
| Organization's current strategic plan or operations plan | Completed |
| State and Federal nonprofit determination letters | Completed |
| Insurance coverages including workers' compensation | Completed |
| Conflict of Interest Statement | Completed |
| **CHDO Certification Form and Required Documentation (for CHDO Applicants)** | Completed |
| Resumes and qualifications for Development Team: including Architect, Engineer, Financial Consultant, Attorney, Tax Credit Consultant/Syndication Consultant, | Completed |
| Market Study (prepared by 3rd party market study professional) | N/A |
| Draft marketing plan for lease up or sale of affordable units as applicable | Completed |
| References: Name, address, telephone, email for references from public agency clients in municipalities in which developer has worked; submit at least 3 references. | NOT Completed |
| Conceptual Drawings | Completed |

CHDC - SONOMA ESTATES PROJECT

| | |
|---|---|
| Photographs of Site | Completed |
| Map showing site and distances to neighborhood amenities, transit and other services | B50 Completed |
| Planning Approvals Documentation | Pending |
| Environmental Review Approvals Documentation | Completed |
| Community Outreach Documentation | Completed |
| Relocation Plan (if applicable) | N/A |
| Permanent Source Funding Commitments | N/A |
| Construction Source Funding Commitments | Completed |
| Resident or Supportive Services Plan | N/A |
| Resident or Supportive Services MOUs or letters of commitment | N/A |
| Property Management Plan | N/A |
| Standard Lease Agreement | N/A |
| Standard Purchase and Sale Agreement | Completed |
| Management Company Statement of Qualifications | N/A |
| Other Partners Documentation | N/A |

CHDC - SONOMA
ESTATES PROJECT


CHDC
Community Housing Development Corporation
Board of Directors
ALUAH ALISHLAH
EXECUTIVE ASSISTANT
DONALD GILMORE
EXECUTIVE DIRECTOR
NICOLE ENNIX
REDI DIRECTOR
DARRYLN SWIFT
INTERIM RESOURCE DEVELOPMENT DIR
CHARLES FOWLKES
CHIEF FINANCIAL OFFICER
RIONNE HUNTLEY
HUMAN RESOURCE
GREGG BATY
ASSET MANAGER
PAULO CASTILLO
CONTROLLER
(VACANT)
SENIOR
ACCOUNTANT
MOHAMMAD KHAN
SENIOR
ACCOUNTAT
ARLENE REID
ACCOUNT/AP
EUGENE LIANG
BOOKKEEPER
LINDA MERCADAL
PAYROLL
SPECIALIST
DARLENE WILLIAMS
Deputy Director
YUSEF WALKER
SR SYSTEM ADMINSITATOR
RITA CURTIS DORTON
HOMEOWNERSHIP CENTER MARKETING AND OUTREACH DIRECTOR
KATRINA VIZINAU
SR HOUSING
ZOYLA CIFUENTES
LOAN PROCESSOR
LATOYA CARR
HSG COUNSELOR
(VACANT)
HOMEOWNERSHIP
LESTER CORNEJO
HOUSING COUNSELOR
CHENELLE MCCOY
LOAN PROCESSOR
KOLAND MATTIE
HOUSING COUNSELOR / LENDING SPECIALIST
SEDRIC MITCHELL
SENIOR HOUSING
COUNSELOR
JANIE HOLLAND
DIRECTOR OF COMMUNITY BUILDING & ENGAGEMENT
VICTOR JIMENEZ
COMMUNITY
SERVICE
COORDINATOR
CORRINE TOMLIN
NR SENIOR CENTER
PROGRAM MANAGER
LINDA WOODARDS
CAFE MANAGER
SHANE SUTHERLAND
DIRECTOR OF
OPERATIONS
JOANNA GRIFFITH
DIRECTOR OF
REAL ESTATE
DEVELOPMENT
NANYAMKA CULBERTSON
DEVELOPMENT ASSISTANT
OF RED
TIMOTHY MOREAU
PROJECT MANAGER
TANIA PULIDO
ASST PROJECT
MANAGER
REBECCA KILMARTIN
ASST PROJECT
MANAGER
LAURA HARRIS
RED PROJECT
MANAGER
NORMA THOMPSON
PROJECT MANAGER
VIVIAN RAHWANJI
DIRECTOR OF
OPERATIONS
VICTORIA PHELPS
MARKETING/OUTREACH
CORFINATOR
TAMMY ALFORD
LOAN/ CREDIT COORDI-
NATOR
GRACIELA CARRILLO
LOAN/CREDIT
COORDINATOR
((Vacant)
CASE MANAGEMENT
FELISA OROZCO
PROJECT INTAKE
COORDINATOR
(Vacant)
PROGRAM ASSISTANT
Liliana Gaytan
LOAN/CREDIT
COORDINATOR

## Donald A. Gilmore, Executive Director

Mr. Gilmore has over 36 years of experience in affordable housing development, comprehensive community improvement services and program and Executive Director non-profit management. As the Executive Director of Community Housing Development Corporation (CHDC) since 1992, Donald Gilmore is known for spearheading comprehensive neighborhood revitalization efforts. Under Don's leadership, CHDC has completed over 1500 units for affordable rental and homeownership; created and operated programs that foster economic and leadership development for neighborhood residents; built diverse partnerships as well as a strong internal organization to achieve economic improvement for traditionally disinvested neighborhoods; and extended the company's reach to serve communities in Contra Costa, Alameda and Solano Counties. As CHDC's first executive director, Don has built the organization from an all-volunteer to a staff of nearly 50 employees with a variety of services and programs. Real Estate Development, Homeownership & Asset Building, Asset Management, CDFI Lending, Economic Development, Community Engagement, Transportation and Property Management. A few programs are housed under CHDC affiliates. Most recently, under Don's leadership, CHDC has added business lines in real estate brokerage services, with a focus on affordability for first time buyers which includes special lending and down payment assistance funding.

Prior to his leadership at CHDC, Mr. Gilmore worked with the City of Alameda Housing Authority as a Housing Development Specialist, and with Richmond Neighborhood Housing Services as Executive Director. He is a graduate of Harvard University's Achieving Excellence program, holds a bachelor's degree from the College of Idaho and holds numerous professional certifications. He serves on boards of NeighborWorks National Network and numerous NeighborWorks National Advisory Committees, the Non-Profit Housing Association of Northern California, East Bay Housing Organizations, the national Center for Employment Training, the Center for Health of North Richmond.

Charles Fowlkes, Chief Financial Officer

Charles Fowlkes was appointed Community Housing Development Corporation's Chief Financial Officer in 2008. As the Chief Financial Officer, Mr. Fowlkes serves as a member of CHDC's executive leadership team and provides operational and programmatic support to the organization and all its affiliates. He manages an operating budget of over $11.6 million and oversees the organization's long-term budgetary strategy and costs management and ensures the financial capacity of the organization to meet its strategic goals. Mr. Fowlkes oversees the accounting department and safeguards the maintenance of internal controls and financial procedures as well as supervising CHDC's accounting and finance staff.

Mr. Fowlkes has 30 years of experience in accounting and finance. Prior to joining CHDC, Mr. Fowlkes worked at Oakland Community Housing, Inc. (OCHI) as the organization's Controller. In this capacity, Mr. Fowlkes was in charge of analyzing and preparing financial statements for all 28 properties managed by OCHI and its affiliates. At OCHI, Mr. Fowlkes implemented new accounting systems and procedures, and was responsible for initiating yearly audits. He also held the position of Associate Director of Finance at North General Hospital, a 200-bed hospital in the Harlem neighborhood in New York. At North General Hospital, Mr. Fowlkes supervised a staff of 15 employees responsible for overseeing the hospital's operating budget of over $100 million.

Mr. Fowlkes holds a bachelor's degree in accounting from St. Peters College in Jersey City, NJ. Additionally, he holds numerous professional certifications in finance and accounting. He has served on the board of the Providence Foundation, the nonprofit philanthropic arm of Providence Baptist Church, a 2,000-member church in the Bayview Hunters Point neighborhood in San Francisco. Mr. Fowlkes also provided leadership in the development of Providence Senior Housing, a HUD Section 202 project consisting of 50 affordable units for seniors.

# Gregg Baty

814 Calmar Avenue | Oakland, CA 94610 | 443.691.5638 | batygl1@gmail.com

## Objective

Seeking a Civic Engagement leadership opportunity utilizing my experience in Strategic Planning, Executive Management, Project Management and Program Development to make an impact throughout our local communities and world.

**Applied Skills**

- Experienced Project Manager, Collaborative Leader and Social Entrepreneur
- Innate organizer and mobilizer for civic engagement
- Skilled Finance, Sales/Marketing and Fund Developer
- Experience with Salesforce, Outlook, and Customer Contact software products

**Professional Experience**

**Community Housing Development Corporation | Richmond, CA** **February 2019 to Present**

**Asset Manager:** Serving on the senior management team and Race, Equity, Diversity and Inclusion (REDI) Committee to lead and manage all the financial and compliance requirements and risk management for over 800 multi-family affordable housing units throughout the San Francisco Bay Area Region. Implementing project management skills throughout nine (9) properties.

**Contemporary Family Services | Hyattsville, MD** **November 2014 – June 2018**

**Community Service Worker:** Led, advocated and directed an eco-system of collaborative community partners to provide a supportive environment for children and young adults with a variety of mental health disabilities often due to homeless or drug addicted parents. Used ITP to implement interventions and develop skills including social skills, anger management and financial literacy. Skilled in practice models in one-to-one counseling.

**Grant Capital Management, Inc. | Columbia, MD** **July 2009 – January 2014**
**July 2001 – January 2006**

**Vice President:** Originated over $100 million annually of lease financing to major Banks and Insurance Companies. Managed major accounts with Equipment Vendors, financial institutions, Municipalities, and State of Maryland. Led the development of Master Lease Programs with the State of Maryland, Commonwealth of Virginia, Baltimore City, Howard County, District of Columbia and Oakland, California. Partnered with energy companies to finance energy projects including Combined Heat and Power (CHP) PPAs. Provided guidance, training and leadership to less experienced members of the team.

**Xavier Capital Management, LLC. | Largo, MD** **January 2006 – January 2007**

**Managing Partner, Marketing and Business Development:** Founding Partner of a minority-owned fixed income and high yield emerging fund providing investment returns to institutional clients. Developed relationships and RFP processes to raise over $100 million in assets under management from clients including Maryland Automobile Insurance Fund, Howard County Maryland Pension Fund, State of Maryland State Retirement and Pension System (fund-to-fund program) and City of Detroit Pension. Developed presentation materials for quarterly Pension Boards meetings. Generated leads, negotiated fees and developed business ongoing.

# Gregg Baty

**East Baltimore Development Inc. | Baltimore, MD** **January 2007 – June 2009**

**Project Management Consultant:** Responsible for relationship management and business development of a vast network of elected officials and community, government, institutional and philanthropic entities to advocate for the revitalization of a blighted area of East Baltimore with the goal to provide temporary housing and human service to 584 low-income families while EBDI demolished 31 acres. I created and led advocacy opportunities to include a series of leadership, mentorship and employment service initiatives for the benefit of residents, local vendors and subcontractors. For the impacted populations, I engaged community residents in town hall discussions and visioning processes for the neighborhood's new development. Responsible for budget management, procurement, workforce development and partnership with City of Baltimore's inclusion efforts targeted toward the low-income population. Managed construction budget for new charter school. Supervised employees, overseeing and coordinating the general operations and policies and procedures development.

**Harbor Bank of Maryland | Baltimore, MD** **January 1996–July 2001**

**Vice President of Financial Services:** Developed the Bank's Insurance and Mutual Fund Brokerage subsidiary. Served on the senior management team to review all commercial loans. Marketed insurance products and performed outreach to churches, underserved communities in Maryland. Managed Branch sales reps and ensured Bank's employees understood sales tools, policies, and procedures for referring financial products. Supervised the preparation of the budget. Assisted in Mortgage referral and origination to add to my previous Mortgage Securitization (CMO's, Asset-back) structuring experience. Assisted in FDIC, State of Maryland, and NASD audits. Developed relationships with Compliance Managers, broker/dealer and insurance companies.

## Volunteer

**ThunderBirds Cheer and Football League – San Ramon, CA** **January 2021 - present**
Board Director and Coach

**St. Leo's - Oakland, CA** **February 2019 - present**
CYO Track and Field Coach

**Baltimore County Liquor Board** **January 2008 - 2018**
Board Member

**Big Brothers and Sisters of Central Maryland** **January 2005 - 2010**
Board Director

## Education

**University of Pittsburgh, Katz Graduate School of Business | Pittsburgh, PA**

MBA, Marketing/Finance

**Morehouse College | Atlanta, GA**

B.A., Economics

**References Available Upon Requests**

**Joanna Griffith Director of RealEstate Development**

Joanna Griffith has been with CHDC for over 25 years serving at various capacities. She is currently the Director of Real Estate Development where she oversees all of the organization's real estate development projects. She supervises the real estate development department staff of 6, which includes project and assistant project managers, and administrative staff, who work tirelessly to provide affordable housing and economic development opportunities to low-income individuals and families within cities and counties throughout the East Bay. Ms. Griffith is responsible for overseeing all phases of the development process-from site conception through predevelopment, construction, and lease-up. She is responsible for preparing and analyzing financial feasibility of projects and developing financial solutions to move projects forward. Ms. Griffith works closely with CHDC's Executive Director and Real Estate Development Committee, which consist of several members of CHDC's board and industry professionals, in developing and implementing CHDC's long-term strategic goals and objectives.

Ms. Griffith has supervised the completion of over 700 affordable housing units, including both rental and homeownership. Her most recent accolades include the completion of the Barrett Plaza Housing Development-a $33 million multifamily rental rehab project located in Richmond, CA and the Miraflores Senior Housing Development-a $64 million new construction affordable senior rental housing development located in Richmond, CA. Additionally, Ms. Griffith currently oversees a development pipeline consisting of over 2,500 units. There are approximately 24 projects total in various stages of development currently in CHDC's development pipeline. Construction of the 150-unit Hacienda Heights senior rental housing project began in June 2021 and the 115-unit Barrett Terrace multifamily rental project is scheduled to begin construction in October 2021. Ms. Griffith has been very instrumental over the years in the organization's efforts to expand into new territories, as well as, assisting to promote and implement CHDC's neighborhood revitalization efforts in Contra Costa County, the City of Richmond, Alameda County, the City of Oakland, the City of Hayward, the City of Berkeley, Solano County, and the City of Vallejo.

Ms. Griffith's education includes completion of the Local Initiatives Support Corporation's (USC) Housing Development Training Institute (HDTI) and the National Development Council's Rental Housing Development Finance course. In addition, Ms. Griffith holds numerous professional certificates from the Neighborhood Reinvestment Training Institute-Real Estate Management, Housing Management for Nonprofits, Design and Specification, Cost Estimation, and Rehab Management.

4988 Rocky Road
Richmond, California 94803
Phone (510) 691-4815
E-mail :dwilliamsre@comcast.net

# Darlene Williams

**Employment**

**1999-Present Community Housing Development Corp. of N. Richmond**

**Deputy Director**

- Responsible for supervision of CHDC General Operations, Housing Development, Asset Building Program
- Negotiations (contracts, joint ventures, etc.) with funding sources, project lenders, contractors and other community organizations.
- Assist hiring of department heads: Housing Development, Asset Building, Community Building and Property Management staff.
- Prepare organization and program budgets
- Assist in program development, implementation and evaluation .
- Assist in preparation of reports to Board of Directors, lenders, county and city funding sources.
- Assist in securing ongoing organizational funding and grant writing.
- Represent organization at various meetings (city, lender and neighborhood meetings).
- Responsible for site acquisition and negotiation of purchase contracts.
- Assist Executive Director with general corporation management activities.

**1989-1999 Housing Conservation & Development Corporation, San Francisco**

**Executive Director**

- Responsible for program development, implementation and evaluation of housing activities (rehabilitation and new construction projects)
- Negotiations (contracts, joint ventures, etc.) with funding sources, project lenders, contractors and other community organizations
- Hiring and supervision of all organization personnel (6-8 staff)
- Represents organization at neighborhood, lenders, city hearings and commissions meetings
- Keep board of directors informed about all organizational activities and budgets
- Responsible for securing ongoing organizational funding and grant writing
- Prepare organization and project budgets, administer all corporation and project funds
- Perform direct project management tasks associated with the acquisition, new construction or rehabilitation of housing units (feasibility, selection/supervision of project team, financial packaging, city approvals, contract negotiations, completion of construction and occupancy)

**Employment**

| | |
|---|---|
| **2012 – Present** | **Community Assets Realty, Broker/Officer** |
| **2012 – Present** | **Community First Lending, Broker/Officer** |
| 2008 - 2012 | First Banker Mortgage & Realty, Agent |
| 2004 - 2008 | Bay Area Dream Homes, Pinole, Agent |
| 1998 – 2003 | Coldwell Banker Bartels Realty, Richmond, Agent |
| 1996 – 1997 | Greater Urban Properties, San Pablo, Agent |
| 1987 – 1995 | Century 21 Baldini, San Francisco, Agent |

**Real Estate Broker/Agent**

Primary responsibilities

- Act as an intermediary in negotiations between buyers and sellers over property prices and settlement details, and during the closing of sales.
- Provide financial information and analytical data to the potential buyer or seller.
- Visit and show properties and explain features of homes.
- Determine best method of purchase and review financials
- Seek out acquisition targets and grow book of leads.
- Facilitate acquisition transactions.
- Handle transactions including coordination of inspections, appraisals, escrow, etc.
- Ensure all paperwork is properly filled out.
- Place properties for sale and market them to attract buyers
- Facilitate property inspections and showings
- Compare properties with similar properties to determine fair market price.
- Work with loan officers, attorneys, and agencies to complete purchase.
- Arrange for financing.

**Mortgage Lender/Broker**

Primary responsibilities

- Work with various lenders to find the best deal for a homebuyer.
- Originate loans to sell to lending institutions and/or keep in house
- Act as an intermediary between a lender and a borrower who needs a mortgage loan.
- Evaluate pay stubs, credit history, tax information and bank statements for financial status.
- Work to ensure compliance with banking and or finance laws in the jurisdiction of the consumer.
- Sell loans in the name of other organizations and businesses.
- Verify the income of the borrower as well as gather their credit information.
- Follow through with lender and client during approval process.
- Explain the legal aspects of the loan to the borrower as well as the payment terms and clauses to them.
- Define repayment terms to consumer and educate them on default consequences

2004 – Present **Notary**

- Administer oaths and affirmations, take affidavits and statutory declarations, witness and authenticate the execution of certain classes of documents, take acknowledgments of deeds and other conveyances, etc

**1981- 1983 Ella Hill Hutch Community Center, San Francisco -Executive Director**

**1976 – 1981 Mayor's Office of Employment & Training (now Private Industry Council), San Francisco -Youth Employment Program Coordinator**

**Education, Training**

**Real Estate Certifications: Short Sale and Foreclosure Resource, Broker Price Opinion, Certified HAFA Specialist**

Kaplan/Anthony School of Real Estate (completed license courses) -

Completed classes in Real Estate Broker, Investment, Real Estate Financing, Relocation Services, Fair Housing Law, Real Estate Law, Single Family Housing Development Finance, Multi-Family Housing Development Finance and Problem Solving and Deal Structuring in Housing Development Finance

Bank of America Leadership Academy (1998)

Local Initiative Support Corporation Housing Development Program (1992)

San Francisco State University (1974-76) Major: Political Science

City College of San Francisco (1972-74) Major: Political Science

**Affiliations**

East Bay Regional Multiple Listing Service; Solano Multiple Listing Service; California Association of Realtors; National Association of Realtors, Contra Costa Association of Realtors; National Notary Association, California Mortgage Brokers Association

**Licenses/ Certifications**

CA BRE License # 00966990;
NMLS License #1041636
Certified Home Affordable Forclosures Alternatives (HAFA) Specialist
NAR Short Sale and Foreclosure Certificate
Certified Broker Price Opinion

CHDC
Community Housing Development Corporation

1535-A FRED JACKSON WAY
RICHMOND, CA 94801
TELEPHONE: 510-412-9290
FAX: 510-215-9276
EMAIL: INFO@COMMUNITYHDC.ORG

## Shane Sutherland, Director of Operations

***Shane Sutherland joined Community Housing Development Corporation in July 2012 as a Facilities Director. Mr. Sutherland fulfills key roles assuring the operational and maintenance budget of CHDC's property portfolio. With a primary focus on portfolio operations, Mr. Sutherland is responsible for budgeting, capital planning, risk management, tracking financial milestones, rehabilitation planning, and capital planning and project management. He works closely with CHDC's leadership staff, developing policies and guidelines for property preventative and ongoing maintenance as well as facilitating project construction management and Project management. Currently Mr. Sutherland is our Director of Operations overseeing all areas of Real Estate Development, Property Management, Asset management, and compliance.***

***Mr. Sutherland has over 25 years of experience in general construction and building rehabilitation. Mr. Sutherland's career began with Bedford Development as a Foreman and Project Manager. He continued his work in management with Kelly Moore Paints, Home Depot as Commercial Contractor Manager and Operation Manager. Mr. Sutherland started his own construction company in 2003 and completed several commercial and residential projects in both Georgia, Nevada, Oklahoma, Louisiana and California. His work with affordable housing began in the early 2000s completing work with the City of Alameda rehabilitation department, City of Oakland Rehabilitation for low income seniors, and with the County of Alameda. Mr. Sutherland has successfully managed property operations and project rehab work, operating projects consistently at or under budget forecasts since joining Community Housing Development Corporation.***

# Lekisha Sweet

**Director of Property management**
lsweet1108@yahoo.com
925-301-5154

I am a hardworking, dedicated, energetic, people person. I am seeking employment with a company that is seeking the qualities I offer and more. I am Tax Credit, COS, and RD certified. I have experience with HUD and Market Rate housing. I have successfully accomplished a 100% TCAC audit within my profession and 100% audit with several lenders and company-based audits. I provide customer on a level that will remain positive for years to come. I reflect what I expect daily. I have turned trouble properties into success within 90-120 day. I have been working within the property management field since 1999

Willing to relocate: Anywhere
Authorized to work in the US for any employer

## Work Experience

**Director of Property Management**
Richmond, CA / Oakland, CA –
June 2019 to Present

• Oversee CPMC Property Management operations for all properties, ensuring that operations are in compliance with all regulatory and legal requirements and organizational policies
• Assist in the development and monitoring of the annual property budgets and maintenance/capital improvement plans to enhance the operations for each property
• Resolve conflicts between property management staff, maintenance and resident services staff and residents
• Prepare monthly project status reports for Senior Management
• Ensure organizational compliance with all federal, state, and local housing laws
• Develop and maintain property management systems, policies and procedures in collaboration with staff
• Build and maintain strong working relationships with resident and resident associations
• Participate in project planning with Housing Development division in areas such as: rent-up and marketing, design input, development of operating proformas, relocation planning, income certification systems, marketing strategies, etc.
• Supervise Resident Services staff on joint issues such as high-risk tenants and community living housing environments
• Participate in organizational planning with Executive Director, Deputy Director, Director of Operations and other division managers
• Establish and maintain positive working relationships with external agencies (HUD representatives, city officials, community groups, etc.) in relation to property management
• Review all leasing activities related to compliance including but not limited to, monitoring approval system for all move-ins, evictions, inspections, work orders, vendor contracts and marketing

• Supervise, train, and oversee property management staff to ensure performance reviews, work goals and Department's Annual Work Plans are completed
• Work with HR and upper management to recruit, interview, and hire supervised position vacancies.
• Assure that occupancy is limited to qualified residents; unit assignments are appropriate; waiting lists are properly maintained. Coordinate a compliance appropriate applicant review process.
• Review and/or create written procedures for site visits, including random spot checks for annual re-certifications and tenant files
• Monitor compliance performance using the Yardi system and randomly selected file reviews
• Working with the Asset Manager, review on-site staff's work regarding annual recertifications and monitor recertification schedules, timeliness and accuracy
• Train staff as necessary on compliance issues
• Maintains accurate records and correspondence related to compliance issues
• Ensure that on-site staff is implementing resident retention and renewal programs in full compliance with all regulatory requirements
• Review monthly building rent and physical inspection reports for compliance issues

**Community Director**
FPI Management, Inc. - Stockton, CA
September 2018 to June 2019

Supervises Property Managers and supports them in supervision of their staff; coaches and mentors staff and contributes to developing a pleasant working environment that allows those within it to thrive.

Holds assigned Property Management staff accountable for a high level of performance, team work, and customer service.

Responsible for recruitment of staff within
fill vacancies with quality staff. Responsible for completing timely performance evaluations of staff, and for assisting and reviewing performance evaluations of staff within portfolio.

Meets departmental financial objectives and goals for assigned portfolio.
Ensures that sound financial management of properties is being followed.

Prepares annual operating and capital budgets; monitors budget performance and prepares summary reports of same.

Reviews and approves expenditures within specified budgetary guidelines. Negotiates and/or evaluates contracts and makes recommendations.

Supervises collection procedures of delinquent accounts and residents' accounts receivables following the guidelines of the organization.

Attends and participates in portfolio related activities and meetings

Attends meetings requested by regulatory agencies.

Oversees resident evictions as managed by Property Manager; assists with investigating complaints.

Ensures compliance with all leases, house rules, attachments and regulatory requirements.

Represents in legal matters relating to resident relations, evictions, contract compliance, etc. as needed.

Participates in and ensures adherence to approved marketing program in compliance with federal, state, local and regulatory requirements.

Inspects properties within portfolio at least once a month to ensure the highest standards are maintained.

Evaluates effectiveness and efficiency of maintenance, grounds, and housekeeping operations. Conducts periodic inspections of vacant apartments for market- ready condition.

Analyzes the condition and the operations of assigned portfolio and makes recommendations for improvements.

Manages capital needs projects within portfolio as needed, and anticipates needs for such projects.

**Regional Supervisor**
Central Valley - Oakley, CA
July 2017 to September 2018

Domus Management Company Lodi, CA

- Supervising over 14 buildings
- Supervising over 60 employees
- Facilities management, leasing, rent receipting, rent roll management, income certification, documentation and notice preparation for legal actions for assigned sites.
- Oversee multi buildings complexes from King City - Oakley
- Personnel management including recruitment, screening, hiring, supervision, training, evaluation and disciplinary actions of office and building staff: maintenance technicians and clerks.
- Develop vendor list, solicit bids and prepare documentation of accounts payable for payment.
- Interact with, coordinates, and serve as liaison between services dept.
- Perform quality control inspections to ensure adherence to contract specifications and industry standards.
- Compose and document correspondence regarding collection of charges, warning letters and legal actions
- Maintained audits for the property, Company, TCAC, Sec 8
- Maintained Weekly, Monthly, and Quarterly Reports
- Acting property manager when building needed
- Lease up of several new buildings
- Maintained property management data base Yardi

• Oversee the management of the facilities of the complex, to include the multiple-craft custodial and maintenance services provided by a range of outside contractors and vendors.
• Oversee activities of contractors, vendor personnel, and suppliers;
• Monitor contracts for compliance and controls costs; monitors general expenditures of unit; performs quality control inspections to ensure adherence to contract specifications and industry standards.
• Restore occupancy from 70% to 100% trending monthly
• Developed 100% rent collection for each site

### Director of Compliance /Compliance Manager - TCAC/HUD Specialist

Central Valley - Oakland, CA
July 2017 to October 2017

• Responsible for file compliance at each property in portfolio
• File review for approval and denial process
• Clean and clear file non-compliance issues
• Train staff in all TCAC and HUD policy and procedures
• Liaison between Tax Credit Allocation Board and Owner
• Reports directly with Owner for all file compliance issues
• Customer service
• Interact with residents to conduct recertification's and new move in
• Liaison between tenants and applicant to explain process, rules and procedure when they are over income
• File audit preparation for all upcoming audits
• Conduct compliance staff meeting and information to staff
• Update all new compliance rules via TCAC, HUD and all other lending sources that apply to buildings
• Implement file organization system and file set up for properties
• Assist owner with direct sell and buying of upcoming residential and commercial property
• Successful served and maintain all legal notices for lease violations and compliance violations
• Solicited bids and new vendor contracts at comparable prices though past networking relationships
• Implemented Yardi software use to the company to ensure compliance success
• Trained staff on Tax Credit compliance and Yardi software

### Community Manager (212 units)

Avanath Realty - Sacramento, CA
December 2014 to July 2017

• Tax Credit and Market Rate multi-property experienced
• Maintained Delinquency under $1,000.00 with 100% collection of rents
• Non payer of rents successful evicted within 30 days
• Several months 100% collection sending no one to evection
• Worked with Sac PD to get bait cars on property which eliminated car theft and break in to cars and units
• Property was taken over by new owner transitioned ownership and kept property in order during transition
• Maintained 98% -100% occupancy for Market Rate and Tax Credit units
• Responsible for maintaining desired financial benchmarks, monitors and analyzes monthly financials for each property in portfolio
• Conducts site visits daily between each site, responsible for maintaining physical assets
• Supervises Assistants, and all other site staff
• Complete Recertification on time

• Maintain delinquency
• Maintained budget within guidelines for property satisfaction
• Raised rent with to gain $30,000 more in revenue and maintaining 100% after notices were effective

• Lowered tenant complaints, applied great customer service and compassion
• Worked directly with SHRA Sacramento Housing on Bond units, audit and compliance
• Attended monthlyNNAHMM
• Develop relationship with the Sacramento Police department to implement a police liaison force for the property to clean upcrime
• By walking property daily developed great tenant/landlord relationship for trust, safety and honesty onsite
• Mentored and guided leasing agent to promotion of now assistant manager in under a year
• Recertification are completed 3 months ahead of due date

### Community Manager
EPMI - Oakland, CA
September 2013 to December 2014

• Acts as Liaison between site and central office, conducts monthly meetings
• Responsible for file compliance at each property in portfolio
• HUD/Tax Credit multi-property experienced
• Responsible for maintaining desired financial benchmarks, monitors and analyzes monthly financials for each property in portfolio
• Conducts site visits daily between each site, responsible for maintaining physical assets
• Supervises Assistants, and all other site staff
• Complete Recertification on time
• Maintain delinquency
• Pass OSHA inspection and reduced fines from $4000.00 to $400.00
• Pass 100% City Audits of building major deficiencies at properties
• Lowered tenant complaints, applied great customer service and compassion
• Solicit bids for maintenance contractors and construction projects, and participates in the selection of contractors.
• Market facilities usage to tenants and others; coordinates and schedules the use of facilities for meetings, classes, conferences, and other special events.
• Solicit and identify potential tenants for the property; schedule, meet, and show property to prospects; evaluate needs of prospects and refers for further negotiation, as appropriate.

### General Manager (200 units)
TNDC - San Francisco, CA
November 2009 to 2013

• Experience working with an affordable housing provider and/or management company in the capacity of Property Manager.
• Working knowledge of applicable local and federal housing laws, including Fair Housing and Landlord & Tenant laws.
• Extensive knowledge and experience with HUD Occupancy and Compliance regulations, TCAC and other affordable housing rules andregulations.
• Knowledge of property maintenance, property marketing, and financial aspects of property management.

• Knowledge of employment laws as they relate to equal opportunity, hiring, training, evaluation and termination.
• Highly skilled in MS Office (Particularly Excel, Word and Outlook) and Onesite
• Maintained two 100% Tax Credit Audits, *Maintained 100% file audit of Merrit, NEF, CalFHA
• Occupancy certification (COS) and tax credit certified (TCS)
• Pro-active in identifying and proposing solutions, with the ability to exercise sound judgment in all matters.
• Excellent written, oral communication and presentation skills, with the ability to write reports, business correspondence, ability to effectively present information to top management, public groups and officials, and/or boards ofdirectors
• Successful audits with NEF, MOH and Tax Credit Allocation Board
• Supervising a staff of 12
• Achievement awards received for reaching quarterly Net Cash operating Goals and Certificate of Completion for Fair Housing.
• Maintaining units under Housing Authority, LOSP (formerly Homeless), MHP supportive housing, Project Based section 8 and Shelter Plus Care
• Successfully cleared 3 years behind rectification in 1 year
• Successfully cleared a $60,000 delinquency from the SFHA

## Education

San Jose State University - San Jose, CA

San Francisco State University - San Francisco, CA

Balboa High School - San Francisco, CA

## Certifications/Licenses

**CTCAC CERTIFIED**
I am tax credit specialist in low income housing certified with 97% passing grade since 2007

**COS CERTIFIED**
I am HUD certified in low income housing

**Fair Housing**
I have passed fair housing every year since 2000

**RD Certified**
I am Rural Development certified since 2017

# RESUME

TIMOTHY DAVID PATRICK MOREAU
1133 C Street, Hayward CA, 94541
Cell: (510) 205-9242
timmoreau83@yahoo.com

**Experience**

Community Housing Development Corporation, Richmond, CA
*Project Manager (October 2020- Present)*
*Assistant Project Manager (August 2019 – October 2020)*

Under supervision of Director of Real Estate Development, assist with coordinating and developing a variety of affordable housing development and rehabilitation projects through their entire lifecycle, including developing the scope of work, acquiring the funding necessary for assigned projects, construction management and inspection.

Coordinates and administers development project activities including hiring/managing consultants, selecting and overseeing the general contractor and overseeing construction, ensures construction activities and results comply with the construction contract and applicable funding source requirements.

Completes applications for funds; pursues new or alternate financing and other resources for project funding such as tax credits, multi-family bonds, grants, outside loans and ensures a viable financing plan is approved for each project.

Dignity Housing West, Inc., Oakland CA:
*Project Manager (May 2011 – May 2019)*
Under the direction of Executive Director, I performed a wide variety of tasks related to the planning, development and advocacy of affordable housing from acquisition through construction; and delivering said projects against agreed scope, budget, and on schedule and finally occupancy.

- Oversaw rehabilitation construction budget of 3.3 million dollars from City Oakland HCD for the 26-unit James Lee Court Apartments. Rehab work included (new roof, HVAC system, interior-exterior painting, complete replacement of windows, security system, energy efficient lighting system, updated elevator work, new common area flooring. All 26 units were completely remodeled with new appliances, flooring, bathrooms, doors, painting etc.)

- 1.5-million-dollar rehabilitation of 20-unit Harp Plaza Apartments. Original rehab cost was 4.1 million, we had to value engineer project to available funding of 1.5 million. Rehab consisted of (new roof, upgraded ADA entry way, replacement of all common

area doors, new entry doors for all units, new intercom system, security system 5 full unit remodels).
- Prepared applications to local Agencies for published RFP's and NOFA's
- Maintaining proper documentation (general project plans, actions items, timelines, etc.) on all projects.
- Assisted with solicitation and choosing of engineering and design team.
- Organized and conducted pre-bid site walk thru with design team
- Coordinated with legal during contract review
- Perform value engineering with design team
- Tracking activities against the detailed project scope.
- Updating project plans to include agreed upon changes.
- Was responsible for reviewing draw request and changes orders.
- Performed punch list walk-thru with GC and architect
- Responsible for owner close out phase duties and coordinating with GC's, Architects etc., in getting their respective close out documents.
- Prepared and presented monthly project reports to Board of Directors.

Dignity Housing West, Inc., Oakland CA:
*Project Assistant (May 2009 - April 2011)*
Work under the supervision of project manager, completing project administrative task such as research and email, providing updates verbally and in written form, planning meetings and drafting reports.

**Education**
Bachelor of Science, Business Administration: Finance and Corporate Management
California State University, East Bay; Hayward, CA. (December 2009)
Associates of Arts, Business Administration, Chabot College, Hayward, CA. (May 2007)
Associates of Arts, Liberal Arts, Chabot College, Hayward, CA. (December 2006)

**Skills**

- Great organizational ability and multi-tasking skills
- Capable of leading high performing teams under tough deadlines
- Strong communication, presentation, analytical and problem-solving skills
- Evaluating risks and developing strategies to overcome project obstacles
- Strong conflict resolution skills

# Laurie Gibbs Harris

6512 Girvin Drive, Oakland CA 94611 ■ (510) 206-8056 ■ lsgibbs@pacbell.net ■ Profile on LinkedIn.com

- 15+ years in commercial real estate including ground up construction of 120 units of senior housing.
- Compelling spokesperson for organization's vision, strategy and programs among funders, board, staff, government agencies, key stakeholders and the community at large.
- Responsible for prospecting, client focused marketing, client need identification, financial analysis, term sheet preparation, negotiating agreements, closing transactions and post-closing stewardship.
- Dynamic motivator – with the leadership and communication skills needed to build consensus, facilitate action, and rally stakeholders around a common mission.

**Core Areas of Expertise:**

Project and Relationship Management ▪ Commercial Real Estate Underwriting ▪ Microfinance ▪ Non-Profit Fundraising ▪ CDFI Finance ▪ Commercial Real Estate Investment ▪ Socially Responsible Impact Investment ▪ Business Operations

**Professional Employment History**

Community Housing Development Corporation – Richmond, CA — 2021- Present
**Project Manager -Affordable Housing Development**

Community Vision – San Francisco, CA — 2019 – 2020
**Portfolio Manager for REAL People's Fund, a community controlled capital fund**

Joncin Holding Corporation – Oakland, CA — 2014 – 2019
**Vice President Real Estate**

US Bancorp – Alameda, CA — 2011 – 2014
**Business and Real Estate Banking Officer**

Northwestern Mutual Life Insurance Company – San Francisco, CA — 1997 – 2009
**Director of Field Production, Real Estate Department**

Equitable Insurance Company – San Francisco, CA — 1996 – 1997
**Consultant, Land Lease Real Estate Investments**

The Travelers Companies – Walnut Creek, CA — 1989 – 1995
**AVP, Realty Investments**

Solomon Brothers Inc. – New York, NY — 1988 – 1989
**Sales and Trading Associate**

**Examples of Demonstrated Expertise:**

- Portfolio manager for a capital fund controlled by Restore Oakland, Restaurant Opportunities Center, Alliance of Californians for Community Empowerment, Asia Pacific Environmental Network, Communities for a Better Environment and Oakland Rising. Focused on BIPOC community ownership of real estate and businesses.
- Leveraged my relationships with Black led non-profits to increase Community Visions real estate consulting service outreach and engagement resulting in an increase of 50% the number of Black led organization client engagements.
- Established a Black led arts non-profit real estate acquisition strategy advisory board, that included community partners, funders and lenders. Led Real Estate department's socially responsible investment into a successful low/moderate income housing fund. Asked by senior management to coordinate and expand initiative across the Western Region.
- Developed and closed commercial real estate secured loans and acquisitions.

- Restructured commercial real estate portfolio including bankruptcy, modification, foreclosure and deed in lieu.
- Managed and developed real estate relationships through comprehensive needs assessment, timely and effective process management, managing internal and external stakeholders and focusing on building long term relationships.
- Wrote comprehensive credit memos and loan requests; delivered written and oral presentations to senior investment committees.
- Entrepreneurial experience includes private real estate investments and project management, and small business consulting.

**Educational Achievements**

- **MBA in Finance** 1988
  The Wharton School, University of Pennsylvania
  - Concentration in Real Estate

- **Bachelor of Arts Degree in Economics** 1981
  Columbia University
  - One of the world's top research-oriented universities
  - Additional coursework completed in business operation and marketing

**Community Development & Advocacy**

- **Nor-Cal Small Business Financial Development Corporation** – Board of Directors Present

- **Working Solutions** – Board of Directors 2008 – 2019
  www.workingsolutions.org
  - Initiated and cultivated a relationship with Bridge Bank, resulting in their $1 million lending and operating capital investment. First point of contact to articulate value of microfinance and obtain engagement.
  - Founder and Co-Chair the East Bay Advisory Board. Develop and implement strategies to provide capital to entrepreneurs of color and women.
  - Developed strategic alliances with ethnic chambers of commerce and minority empowerment groups – including Black MBAs, the National Association of Black Accountants, Urban Bankers, Unity Council, and 100 Black Women.
  - Chair 2018 Strategic Deployment Sub-Committee, focused on effective loan portfolio metrics.
  - Member Strategic Alliance committee charged with evaluating merger and strategic partnership options.
  - Completed comprehensive loan policy review and conducted survey of competitors resulting in improved lending programs.
  - Leading role in advocating for and creating opportunities to increase lending to entrepreneurs of color resulting in an increase from 10% in 2017 to 25% in 2018.

- **Main Street Launch** – Entrepreneur in Residence Program Mentor 2019
  Mentor four African American entrepreneurs.

- **United Negro College Fund** – Regional Leadership Council 2017 – Present
  - initiated and cultivated relationships with corporate funders.

- **Northern CA Minority Supplier Development Council** – Development Specialist 2013 – 2014
  www.wrmsdc.org
  - Conducted comprehensive review of application packages to identify the most qualified companies.
  - Interviewed owners on-site and made recommendations for certification when warranted.

- **Yerba Buena Center for the Arts** – Board of Directors 1998 – 2007
  www.ybca.org

- Co-Chaired the Corporate Council, responsible for developing relationships with corporate partners.
- Successfully obtained funding from leading Fortune 500 companies – including American Express, Goldman Sachs, Charles Schwab, and Whole Foods.

- **Shanti** – Board of Directors 2000 – 2002
  www.shanti.org
  - Supported organization's objective to enhance the health and quality of life of people with terminal, life-threatening, or disabling conditions – including AIDS services and other vital support.

**Other Interests**

- Extended solo travel (including India, Africa, Southeast Asia)

**Rebecca Kilmartin Assistant Project Manager**
Community Housing Development Corporation

**Experience**
Community Housing Development Corporation, Richmond, CA
Assistant Project Manager (May 2021 – Present)

Works under the supervision of project manager, completing project administrative task such as research and email, providing updates verbally and in written form, planning meetings and drafting reports. Came to CHDC through the NPH BAHIP Internship Program

**Education & Training**
Master of Arts in Public Administration and Public Management, California State University, East Bay (2021)
NPH BAHIP Internship Program (2021)
Bachelor of Arts in Political Science, California State University, Chico (2019)
Associates of Arts in Behavioral Sciences, City College of San Francisco (2017)

# RESOLUTION NO. 2022-3

## AUTHORIZING RESOLUTION
## OF
## COMMUNITY HOUSING DEVELOPMENT CORPORATION

### RESOLUTION APPROVING AND AUTHORIZING THE SUBMISSION OF APPLICATION TO THE CITY OF VALLEJO COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) FUNDS UNDER THE FY 2022-23 NOFA FOR THE SONOMA ESTATES HOUSING DEVELOPMENT

At a duly constituted meeting of the Board of Directors of Community Housing Development Corporation (CHDC) a California nonprofit public benefit corporation, held on January 19, 2022, the following resolution was adopted:

**WHEREAS,** the Board of CHDC has determined it to be in the best interests of CHDC to apply for financing available for the Sonoma Estates under the City of Vallejo FY 2022-23 CDBG/HOME NOFA.

**NOW, THEREFORE, BE IT RESOLVED:** That the Board of Directors of CHDC hereby authorizes the submission of an application to the City of Vallejo in response to the FY 2022-23 CDBG/HOME NOFA for financing in the form of a loan and/or grant in the amount not to exceed $1.5 million from the CDBG/HOME Program.

**FURTHER RESOLVED:** That the Board of Directors hereby approves the loan or grant in the amounts approved by the City of Vallejo (the "Lender"), and approves the loan or grant agreement(s), promissory note(s), security agreement(s), deed(s) of trust and regulatory agreement(s), all amendments, modifications and extension thereof, and all other collateral documents required by the Lender for the above described loan and/or grant (the "Financing Documents"), subject to the review and approval of the final form of documents by the Executive Director or the Deputy Director, and counsel to CHDC, or the Chief Financial Officer, which review and approval shall be evidenced the execution of the Financing Documents by CHDC. The Board of Directors hereby directs and authorizes the applications and Financing Documents to be executed by the Executive Director, Donald Gilmore or Deputy Director, Darlene Williams.

**FURTHER RESOLVE:** That upon the execution of the financing applications and Financing Documents, the financing applications and Financing Documents shall be delivered to the Lender, and when necessary or required by the Lender, the Financing Documents shall be recorded or filed with the Solano County Recorder's Office or the Secretary of State, as the case may be.

**FURTHER RESOLVE**: That the Executive Director, Donald Gilmore or Deputy Director, Darlene Williams are hereby authorized and directed by the Board of Directors to take any and all actions as may be required including executing and delivering such other documents and making such payments as necessary or deemed desirable for the purpose of implementing this resolution and rendering the financing applications and Financing Documents valid and binding obligations of CHDC consistent with Board action.

The undersigned Secretary of Community Housing Development Corporation hereby certifies that the foregoing resolution is a true and correct copy of a resolution duly adopted at a meeting of CHDC, which was duly held on the date stated above, and that the resolution has not been amended or rescinded and is in full force and effect as the of the date below.

Dated: January 13, 2022

Maria Benjamin, Board Secretary

CHDC
Community Housing Development Corporation

1535-A Fred Jackson Way
Richmond, CA 94801
Tel: (510) 412-9290
Tel: (707) 652-7861
Fax: (510) 215-9276
www.CommunityHDC.org

# CHDC BIO

CHDC is a leader in the greater San Francisco Bay Area with more than 30 years of experience providing quality, affordable housing. CHDC is especially known for its comprehensive approach to revitalizing neighborhoods by addressing needs such as lack of available affordable housing, reducing/stopping illegal dumping, remediating environmental hazardous conditions, and collaborating with a wide range of partners who are committed to creating healthy, safe neighborhoods. As the only African American lead organization in Northern California part of CHDC's mission is to focus on systemic issues that plague black and brown communities. CHDC originated this approach as part of its founders' commitment to eliminate blight and improve the quality of life for low income residents in its North Richmond, CA community.

CHDC focuses its services and products on under-served neighborhoods and populations. Approximately 90% of the individuals and families CHDC serves have incomes below 80% of Area Median Income (AMI). CHDC's service areas include Alameda, Contra Costa, and Solano Counties, and the cities of Richmond, Oakland, and Vallejo, California. Programs include, but are not limited to, high quality, affordable rental and homeownership developments. CHDC has developed more than 250 homes for first-time, low-income homebuyers. Another 900+ rental units have been constructed under sponsorship/management and stewardship of rental properties with the goal of making a positive impact on low-income households and neighborhoods. CHDC is also a HUD-approved counseling agency providing budgeting and education for families, youth, and adults on how to manage their finances, build assets, prepare and sustain homeownership, and prevent or mitigate foreclosure--serving an average of more than 500 households annually. More than 2,917 households received homebuyer counseling services, including financial fitness and other educational classes to assist with wealth building. These activities have leveraged millions of dollars in funding within low-income communities.

In November 2015, CHDC formed a partnership with the California Air Resources Board to implement the new Light-Duty Financing Assistance Pilot Project in low-income and disadvantaged communities. The Financing Assistance Pilot Project funded through California Climate Investments is the first project for Electric Vehicle ownership in California and the nation in low-income communities. The project serves residents with incomes less than 400% of the poverty level. CHDC received over $930,000 to implement the first pilot project which provided low-income participants a grant of up to $5,000 to purchase hybrid electric, plug-in electric or battery electric vehicles. The grant also provided an additional $2,000 to eligible participants to purchase a portable level two or in-home charging station. Due to the success of the project, CHDC received an additional $2million last year to continue the project, with another $4 million encumbered to CHDC through 2022. The project has provided over 160 individuals and families with grants over $850,00 since project inception for eligible applicants who purchased electric vehicles.

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CHDC's Community Building and Organizing Department provides services to the community that reduces illegal dumping, prevents crime, and improves services within low-income communities. CHDC was very instrumental in the completion of the Filbert Street and Macdonald Avenue improvement plans implemented by the City of Richmond. These improvements included traffic calming measures such as wider sidewalks and narrower roadways, curb bulb-outs, and improved stripping for pedestrian crossings. Other upgrades included installation of handicapped curb cuts, better lighting, new street seating, and installation of street trees. Another key component to CHDC's Community Building and Engagement is resident leadership. This enables low-income communities to realize their vision for a vibrant and welcoming place for all to call home. CHDC supports local leadership through education and professional development and facilitates an on-going volunteer activity and community events such as neighborhood clean-ups, community block parties and tabling events.

CHDC's property management and resident services entity, Community Property Management Corporation (CPMC), has a staff of 12 who manage and provide services for more than 300 units. CHDC has leveraged over $275 million in private and local investments for the communities it serves. CHDC currently has approximately 580 units of affordable multifamily rental housing units serving a range of low-income populations and households, in various stages of development in our real estate development pipeline. CHDC currently has an annual operating budget of approximately $7,806,452M which supports a staff of 41 FTE's, and $20,541,117M in net assets.

CHDC has a proven track record of providing affordable housing opportunities and services within low-income communities. The organization is actively working in three Northern California counties and continues to positively impact the health and safety of low-income households and neighborhoods through the products and services it provides. The ability to leverage resources to further the organization's mission is crucial to areas CHDC serves. CHDC will continue to be innovative in its approach to implement programs and services that will benefit low income residents and revitalize their neighborhoods.

A0640243

**ENDORSED - FILED**
In the office of the Secretary of State
of the State of California

FEB - 9 2006

ARTICLES OF INCORPORATION
OF
CERTIFICATE OF AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND
A California Nonprofit Public Benefit Corporation

The undersigned certify that:

1. They are the president and secretary, respectively, of Community Housing Development Corporation of North Richmond, a California nonprofit public benefit corporation.

2. The Articles of Incorporation of this Corporation are amended and restated to read in their entirety as follows:

I

The name of this corporation is Community Housing Development Corporation of North Richmond.

II

A. This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation law for charitable purposes.

B. The specific purposes of this corporation are:

1. To substantially improve the quality of life of residents of the State of California by raising the economic, educational, social and environmental conditions in the area.

2. To expand opportunities available to residents and groups to obtain adequate low-cost housing accommodations by constructing, rehabilitating, and providing decent, safe and sanitary housing for persons and families of low-to-moderate income who are in need of a suitable place to live.

3. To help relieve the poor, distressed, underprivileged and indigent by enabling them to secure basic human needs of decent shelter and to thus lessen the burden on government.

4. To provide such housing through rehabilitation of existing substandard buildings and the construction of new facilities in the place of blighted structures or blighted vacant sites for the purpose of combating the deterioration of the community and contributing to its physical improvement.

C. In furtherance, but not in limitation, of the foregoing charitable, educational and scientific purposes, the Corporation shall have the following powers:

1. To borrow money, and to make, accept, endorse, execute and issue bonds, debentures, promissory notes, and other corporate obligations for monies borrowed, or in payment for properly acquired or for any of the purposes of the corporation, and to secure payment of any such obligation by mortgage, pledge, deed, indenture agreement or other instrument of trust, or by other lien upon assignment of or agreement in regard to all or any part of the property, rights or privileges of the corporation.

2. To conduct educational, advocacy, and other efforts to eliminate prejudice and discrimination in the housing, business and financial communities and to foster the establishment of sound and constructive relationships with those communities that will further the primary purposes of this corporation.

3. To engage in the activity of operating business ventures for the purposes of providing job training, employment, and managerial development opportunities to said residents for the charitable purpose of furthering the economic development of the community.

4. To engage in other activities which will directly or indirectly improve the welfare and economic conditions of said residents and groups.

III

Agent of Service intentionally left blank pursuant to Corporations Code Section 5819.

IV

This corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

V

The property of this corporation is irrevocably dedicated to charitable purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or the provision for payment of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

VI

The number of directors and the manner in which directors shall be chosen and removed from office, their qualifications, powers, duties, term of office, the manner of filling vacancies on the board of directors and the manner of calling and holding meetings of directions shall be as stated in the bylaws.

3. The foregoing amendment and restatement of the Articles of Incorporation has been duly approved by the Board of Directors of the Corporation.

4. The Corporation has no members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: March 8, 2005

Annie M. King-Meredith, President

Jesse Slocum, Secretary

Adopted as of March 8, 2005



OFFICE OF THE SECRETARY OF STATE

# AMENDED AND RESTATED
# BYLAWS

# OF

# THE COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND

(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)

Revised 03/08/05

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Certificate of Secretary

## ARTICLE 1.
## NAME

The name of this corporation shall be the Community Housing Development Corporation of North Richmond.

## ARTICLE 2.
## OFFICES

Section 2.1 Principal Executive Office. The principal executive office of the corporation shall be located in Contra Costa County, California. The Board of Directors may change the location of this office. Any such change shall be noted on these Bylaws by the Secretary, opposite this section, or this section may be amended to state the new location.

Section 2.2 Other Offices. Other offices may at any time be established at any place or places by the Board of Directors.

## ARTICLE 3.
## OBJECTIVES AND PURPOSES

The Corporation shall be dedicated primarily to the promotion of the general welfare and economic development of low-income groups residing in the State of California and elsewhere, as stated in greater detail in Article II of this corporation's Articles of Incorporation.

This corporation has been formed under the California Nonprofit Public Benefit Corporation Law for the charitable purposes described above, and it shall be Nonprofit and non-partisan. No substantial part of the activities of the corporation shall consist of the publication or dissemination of materials or statements with the purpose of attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

The corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the charitable purposes described in the Articles of Incorporation.

## ARTICLE 4.
## DEDICATION OF ASSETS

The properties and assets of this nonprofit corporation are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of this corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member, director or officer of this corporation. On liquidation or dissolution, all properties, assets, and obligations shall be distributed and paid over to an organization dedicated to charitable purposes which has established its tax-exempt status under Internal Revenue Code Section 501(c)(3).

## ARTICLE 5.
## MEMBERSHIP

Section 5.1 Statutory Members. The corporation shall not have any members within the meaning of Section 5056 of the California Corporations Code.

Section 5.2 Non-statutory Members. Upon designation of criteria for advisory membership by the Board of Directors, the corporation may have advisory members who are not members within the meaning of Section 5056 of the California Corporations Code.

## ARTICLE 6.
## BOARD OF DIRECTORS

Section 6.1 Powers. Subject to the provisions of the California Nonprofit Corporation Law, the activities and affairs of the corporation shall be the managed and all corporation powers shall be exercised by or under the direction of the Board of Directors. The Board of Directors may delegate the management of the day-to-day operation of the business of the corporation to a management company, committee (however composed), or other person, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board of Directors.

Section 6.2 Number of Directors. The Board of Directors shall, from time to time by resolution, fix the number of Directors, but at no time shall there by fewer than five (5) or no more than fifteen (15) Directors.

Section 6.3 Qualifications of Directors. Each Director shall be a natural person at least 21 years of age.

The members of the Board of Directors shall be appointed by the Board of Directors.

It is the intent of the corporation that the composition of the Board of Directors shall represent a diversity of technical skills to enable the Board of Directors to make informed, well-balanced decisions on the economic viability and social impact of its activities. However, at all times a majority of the members of the Board of Directors shall be composed of persons residing in low income neighborhoods.

Section 6.4 Restriction on Interested Directors. No persons serving on the Board of Directors at any time may be interested persons. An interested person is:

(a) Any director, principal, officer, or member of a committee with the Board's delegated powers who has a direct or indirect Financial Interest (as defined below;

(b) Any person being compensated by the corporation for services rendered to it within the previous twelve (12) months, whether a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; or

(c) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the corporation.

Section 6.5 Conflict of Interest. The Board of Directors shall follow the provisions set forth in this Section 6.5 regarding Conflict of Interest.

(a) Financial Interest. A person has a Financial Interest if the person has, directly, or indirectly, through business, investment or family – (i) an ownership or investment interest in any entity with which the Corporation has a transaction or arrangement with, (ii) a compensation agreement with the Corporation or with any entity or individual with which the Corporation has a transaction agreement, or (iii) a potential ownership or investment interest in, or compensation agreement with, any entity or individual with which the Corporation is negotiating a transaction or agreement. Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

(b) Duty to Disclose. In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence and nature of his/her Financial Interest and must be given the opportunity to disclose all material facts to the directors (or members of the appropriate committee with board delegated powers) considering the proposed transaction or undertaking.

(c) Determining Whether a Conflict of Interest Exist. After disclosure of the Financial Interest and all material facts, and the Interested Person shall leave the Board or committee meeting while the determination of conflict of interest is discussed and voted upon. After exercising due diligence, the Board or committee, if appropriate, shall determine whether the Corporation can obtain a more advantageous transaction or agreement with reasonable efforts from a person or entity that would not give rise to a conflict of interest. If a more advantageous transaction or agreement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board or committee shall determine by a majority vote of the Directors other than the Interested Person whether the transaction or agreement is in the Corporation's best interest and for its own benefit and whether the transaction is fair and reasonable to the Corporation, and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination. The minutes of the Board and all committees with board-delegated powers shall record the names of all persons participating in the meeting, a summary of the discussion, including any proposed alternative agreements, and a record of any votes taken in connection with the final determination.

(d) Determining What is Fair. To be considered fair and reasonable and to avail itself of the rebuttable presumption of reasonableness as set forth in 26 U.S.C. Section 4958, the Corporation shall use comparability data by looking at similar transactions by a least three similar entities if the Corporation has annual gross receipts (including contributions) of less than $1 million (or more than three similar transactions for larger Corporations). A fair and reasonable transaction is generally an arms-length transaction.

(e) Annual Statements. Each director, principal officer and member of a committee with board delegated powers, shall annually sign a statement which affirms that such person (i) has received a copy of the conflicts of interest policy, (ii) has read and understands the policy, (iii) has agreed to comply with the policy, and (iv) understands that the Corporation is a charitable organization and that in order to maintain its federal tax-exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

(f) Periodic Review. To ensure that the Corporation operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as a an organization exempt from federal income tax, periodic reviews of the conflicts of interest policy and requirements shall be conducted

Section 6.6 Election and Term of Office. At the corporation's annual meeting in January 1998, the directors shall be classified into three groups for the purpose of providing, as nearly as numerically possible, for the election of one-third of the Board of Directors each subsequent year in which the membership of the Board shall change. The first group shall consist of directors whose term of office shall continue for three years. The second group shall consist of directors whose term of office shall continue for four years. The third group shall consist of directors whose term of office shall continue for five years.

Except as provided above, the term of office of each director shall be five years and until his or her successor has been selected and seated.

If any annual meeting is not held or the directors are not appointed at the annual meeting of the Board of Directors, the directors may be appointed at any meeting of the Board of Directors. After January 1998, any director, including those who begin in terms in January 1998, may succeed himself or herself in office once, but thereafter no director may serve more than two consecutive terms.

Section 6.7 Vacancies and Removal. A vacancy in the Board of Directors shall be deemed to exist on the occurrence of the following:

(i) The death, resignation, or removal of any director;

(ii) The declaration by the Board of Directors of a vacancy in the office of a director who has been declared of unsound mind by a final order of the court, or convicted of a felony, or has been found by a final order or judgment of any court to have breached any duty under Sections 5230-38 of the California Corporations Code dealing with standards of conduct for a director.

(iii) The failure of a director to attend three (3) out of five (5) consecutive general meetings of the board of Directors or a total of five (5) meetings of the Board of Directors without a leave of absence granted by resolution of the Board of Directors, provided however, that any Director terminated by such non-attendance may, within thirty (30) days of such termination, appeal the

termination to the Board of Directors. Whereupon the Board of Directory may by resolution reinstate such terminated Director. Any leave of absence shall be limited to six (6) months.

(iv) An increase in the authorized number of directors; or

(v) The failure of the directors, at any annual or other meeting of directors at which any director or directors are elected, to elect the full authorized number of directors to be voted for at that meeting.

The Board of Directors, by affirmative vote of two-thirds of the directors then in office, may remove any director without cause at any regular or special meeting; provided that the director to be removed has been notified in writing in the manner set forth in Section 6.12 of this Article 6 that such action would be considered at the meeting.

All vacancies may be filled by vote of a majority of the directors then in office, whether or not the majority is less than a quorum, or by vote of a sole remaining director. Each director so appointed shall hold office until his or her successor is appointed at an annual or other meeting of the Board.

Section 6.8 Resignation of Directors. Any director may resign effective upon giving written notice to the Chairperson of the Board or the Secretary of the Board. The resignation shall be effective when the notice is given unless the notice specifies a later time for the effectiveness of the resignation. If a director's resignation is effective at a later date, the board may elect a successor to take office when the resignation becomes effective. Unless the California Attorney General is first notified, no director may resign when the corporation would then be left without a duly elected director or directors in charge of its affairs.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of the director's term of office.

Section 6.9 Place of Meetings; Meetings by Telephone. Regular meetings of the Board of Directors may be held at any place within or outside the State of California that has been designated from time to time by the Board. In the absence of such designation, regular meetings shall be held at the principal executive office of the corporation. Special meetings of the Board shall be held at any place within or outside the State of California that has been designated in the notice of the meeting, if not stated in the notice, or if there is no notice, at the principal executive office of the corporation. Notwithstanding the above provisions of this Section 6.9, a regular or special meeting of the Board of Directors may be held at any place consented to in writing by all the Board members, either before or after the meeting. If consents are given, they shall be filled with the minutes of the meeting. Any meeting, regular or special, may be held by conference telephone or similar communications equipment, as long as all directors participating in the meeting can hear one another, and all such directors shall be deemed to be present in person at such meeting.

Section 6.10 Annual Meeting. The Board of Directors shall hold a regular meeting in January of each year, for the purpose of appointing directors and officers of the corporation, and for the transaction of other business. Notice of the annual meeting shall be given in the manner set forth in Section 6.12 of this Article 6.

Section 6.11 Other Regular Meetings. Other regular meetings of the Board of Directors shall be held at such times as fixed by the Board of Directors.

Section 6.12 Special Meetings. Special meetings of the Board of Directors for any purpose may be called at any time by the Chairperson of the Board, the Executive Director, the Secretary, or any two directors.

Written notice of the time and place of special meetings shall be delivered personally to each director or communicated to each director by telephone, or by telegraph or first-class mail, with charges prepaid, addressed to the director at the director's address as it is shown upon the records of the corporation or, if it is not so shown on such records or is not readily ascertainable, at the place at which the meetings of the directors are regularly held. In case such notice is mailed, it shall be deposited in the United States mail at least four (4) days prior to the time of the holding of the meeting. In such case notice is delivered personally or by telephone or telegraph, it shall be so delivered at least forty-eight (48) hours prior to the time of the holding of the meeting. Such mailing or delivery, personally or by telephone or telegraph, shall be due, legal, and personal notice to such director.

Notice of a meeting need not be given to any director who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes of the meeting, whether before or after the meeting, or who attends the meeting without protesting, prior to the meeting or at its commencement, the lack of notice to such director. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 6.13 Action at a Meeting; Quorum and Required Vote. Presence of a majority of the directors then in office or three directors, whichever is greater, at a meeting of the Board of Directors constitutes a quorum for the transaction of business, except as otherwise provided in these Bylaws. Every act done or decision made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, unless a greater number, or the same number after disqualifying one or more directors from voting, is required by the Articles of Incorporation, these Bylaws, or the California Nonprofit Corporation Law. A meeting at which a quorum is initially present, including an adjourned meeting, may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a disinterested majority of the required quorum for such meeting, or such greater number as required by the Articles of Incorporation, these Bylaws or the California Nonprofit Corporation Law. Adoption or revocation of a plan of merger; consolidation; voluntary dissolution; bankruptcy or reorganization; or for the sale, lease, or exchange of all or substantially all of the property and assets of the corporation otherwise than in the usual and regular course of its business, requires the approval of two-thirds (2/3) of the authorized number or directors of the corporation.

Section 6.14 Adjourned .Meeting and Notice. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment. Such notice may be waived in the manner provided for in Section 6.12.

Section 6.15 Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as the unanimous vote of such directors. For purposes of this section only, "all members of the Board", does not include any "interested directors" as defined in Section 5233 of the California Corporations Code.

Section 6.16 Fees and-Compensation. Directors and members of committees may receive such reasonable compensation, if any, for their services, and such reasonable reimbursement for expenses, as may be fixed or determined by resolution of the Board of Directors.

## ARTICLE 7.
## COMMITTEES

Section 7.1 Committees of Directors. The Board or Directors may, by resolution adopted by a majority of the directors the directors then in office, provided that a quorum is present, designate one or more committees, each of which shall consist of two or more directors and may also include members who are not on the Board of Directors, to serve at the pleasure of the Board. The Board may designate one or more alternate members of any committee, who may replace any absent member at any meeting of the committee. The appointment of members or alternate members of a committee requires the vote of a majority of the directors then in office, provided that a quorum is present. Any committee that includes voting members who are not on the Board of Directors may not be delegated to the authority or power of the Board of Directors. Any committee whose voting members consist only of directors, to the extent of the powers specifically delegated in the resolution of the Board of Directors or these Bylaws, may have all or a portion of the authority of the Board of Directors, except that no committee, regardless of Board resolution, may:

(a) Approve any action that, under the California Nonprofit Corporation Law, also requires the affirmative vote of the members of a public benefit corporation.

(b) Fill vacancies on the Board of Directors or in any committee that has the authority of the Board.

(c) Fix compensation of the directors for serving on the Board or on any committee.

(d) Amend or repeal the Articles of Incorporation or Bylaws or adopt new Bylaws.

(e) Amend repeal any resolution of the Board of Directors that by its express terms is not so amendable or repealable.

(f) Appoint any other committees of the Board of Directors or the members of such committees.

(g) Approve a plan or merger; consolidation; voluntary dissolution; bankruptcy or reorganization; or for the sale, lease, or exchange all or substantially all of the property and assets of the corporation otherwise than in the usual and regular course or its business; or revoke any such plan.

(h) Approve any transaction between the corporation and one or more of its directors in which the director or directors have a material financial interest, except as provided by Section 5233 or the California Corporations Code.

(i) Bind the corporation in a contract or agreement exceeding the amount of $10,000.

Section 7.2 Meetings and Actions of Committees. Meetings and actions or all committees shall be governed by, held, and taken in accordance with, the provisions or Article 6 or these Bylaws, concerning meetings and actions of directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board of Directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board of Directors may adopt rules not inconsistent with the provisions of these Bylaws for the government of any committee.

Section 7.3 Executive Committee. Pursuant to Section 7.1, the board may appoint three (3) or more directors, one of whom shall be the Chairperson of the Board, to serve as the Executive Committee of the board. The Executive Committee, unless limited in a resolution of the board, shall have and may exercise all the authority of the Board in the management of the business and affairs of the corporation between meetings of the board; provided, however, that the Executive Committee shall not have the authority of the board in reference to those matters enumerated in Section 7.1. The Secretary of the Corporation shall send to each a summary report of the business conducted at any meeting of the Executive Committee.

## ARTICLE 8.
## OFFICERS

Section 8.1 Officers. The Officers of the corporation shall consist of the Chairperson of the Board, Vice Chairperson of the Board, Executive Director, the Secretary, and the Treasurer, and each of them shall be appointed by the Board of Directors. The Chairperson and Vice-Chairperson shall be directors; other officers may, but need not, be directors. The Board of Directors shall designate one officer as the chief financial officer of the corporation. In the absence of such designation, the Treasurer shall be the chief financial officer. Any two or more offices may be held by the same person, except that neither the Secretary nor the chief financial officer may serve concurrently as either the Executive Director or the Chairperson of the Board. The Board of Directors may appoint, and may empower the Chairperson of the Board, the Executive Director or another officer to appoint, such other officers as the activities of the corporation may require, each of whom shall have such authority and perform such duties as are provided in these Bylaws or as the Board of Directors may from time to time determine.

All officers of the corporation shall hold office from the date appointed to the date of the succeeding annual meeting of the Board of Directors, and until the successors to such officers are elected and qualified; provided that all officers, as well as any other employee or agent of the corporation, may, subject to any claim for breach of contract based on any contractual arrangements between any such person and the corporation, be removed at any time at the pleasure of the Board of Directors, or, except in the case of an officer chosen by the Board of Directors, by any officers upon whom such power of removal may be conferred by the Board of Directors, and upon the removal, resignation, death, or incapacity of any officer, the Board of Directors, the Chairperson of the Board, the Executive Director or other officer has been vested by the Board of Directors with power to appoint, may declare such office vacant and fill such vacancy.

Any officer may resign at any time by giving written notice to the Board of Directors, the Chairperson of the Board, the Executive Director, or the Secretary of the corporation, without prejudice, however, to the rights, if any, of the corporation under any contract to which such officer is a party. Any resignation shall take effect on the date of the receipt of such notice or at any later time specified in the resignation; and, unless otherwise specified in the resignation, the acceptance of the resignation shall not be necessary to make it effective.

The salary and other compensation of the officers shall be fixed from time to time by resolution of or in the manner determined by the Board of Directors.

Section 8.2 Duties of the Chairperson of the Board. The Chairperson of the Board shall, when present, preside at all meetings of the Board of Directors and Executive Committee and shall perform all the duties commonly incident to that office. The Chairperson of the Board shall have authority to execute in the name of the corporation all bonds, contracts, deeds, leases, and other written instruments to be executed by the corporation (except when by law the signature of the Executive Direct is required), and shall perform such other duties as the Board of Directors may from time to time determine.

Section 8.3 Duties of the Vice-Chairperson of the Board. The Vice-Chairperson of the Board shall possess the powers and discharge the duties of the Chairperson in the latter's absence or disability.

Section 8.4 Duties of the Executive Director. The Executive Director shall function as the General Manager and Chief Executive Officer of the corporation, and .shall manage the corporation in administering the conduct of its business. Where appropriate, the Board of Directors shall place the Executive Director under a contract of employment. The Executive Director shall be responsible to and governed by the Board of Directors, shall report to and advise the board on all significant matters of the corporation's business and shall see that all orders and resolution of the board are carried into effect. The Executive Director shall be empowered to act, speak for or otherwise represent the corporation between meetings of the board within the boundaries of policies and purposes established by the board and as set forth in the Articles or Incorporation and Bylaws. The Executive Director shall be responsible for the hiring and firing of all personnel other than officers elected by the board, and shall be responsible for keeping the board informed at all times of staff performance as related to program objectives, and for implementing any personnel policies adopted by the board. The Executive Director is authorized to contract, receive, deposit, disburse and account for funds of the corporation in fulfillment of the corporation's objectives; to execute in the name of the corporation all bonds, contracts, deeds, leases, and other written instruments to be executed by the corporation; and to negotiate all material business transaction or the corporation.

Section 8.5 Duties of the Secretary and Assistant Secretaries. The Secretary shall record or cause to be recorded, and shall keep or cause to be kept, at the principal executive office and such other place as the Board of Directors may order, a book of minutes or actions taken at all meetings of directors and committees, with the time and place or holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings, and the proceedings of such meetings.

The Secretary shall give, or cause to be given, notice of all the meetings of the Board of Directors and of the committees of this corporation required by these Bylaws or by law to be given, shall keep the seal or the corporation (if any) in safe custody, and shall have such other powers and perform such other duties as may be prescribed. by the Board of Directors or by these Bylaws.

Section 8.6 Duties of the Treasuer and Assistant Treasurers. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transaction of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The Treasurer shall arrange for an annual audit of the corporation's financial accounts by an independent Certified Public Accountant.

The Treasurer shall deposit or cause to be deposited all moneys and other valuables in the name and to the credit of the corporation with such depositories as may :be designated by the Board of Directors. The Treasurer shall disburse or cause to be disbursed the funds of the corporation as may be ordered by the Board of Directors, shall render to the Executive Director

and directors, whenever they request it, and account of all of the Treasurer's transactions as Treasurer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

If required by the Board or Directors, the Treasurer shall give the corporation a bond in the amount and with the surety or sureties specified by the board for faithful performance of the duties of the Treasurer's office and for restoration to the corporation of all its books, papers, .vouchers, money and other property of every kind in the Treasurer's possession or under the Treasurer's control on the Treasurer's death, resignation, retirement, or removal from office. The corporation shall pay the cost of such bond.

## ARTICLE 9.
## INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS OF THE CORPORATION; PURCHASE OF LIABILITY INSURANCE

(a) For the purpose of this article, "agent" means any person who is or was a director, officer, employee, or other agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a director, officer, employee, or agent of a foreign or domestic corporation that was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending, or completed action or proceeding whether civil, criminal, administrative, or investigative; and "expenses" include without limitation attorneys' fees any expenses of establishing a right to indemnification under paragraph (d) or paragraph (e)(2) of this article.

(b) The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the corporation to procure a judgment in its favor, an action brought under Section 5233 of the California Corporations Code, or an action brought by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an agent of the corporation, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment; order, settlement or conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

(c) The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the corporation to procure a judgment in its favor, or brought under Section 5233, or brought by the Attorney General for breach of duty relating to assets held in charitable trust, by reason of the fact that such person is or was an agent of the corporation, against expenses actually and

reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in alike position would use under similar circumstances. No indemnification shall be made under this paragraph (c):

(i) In respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable to the corporation in the performance of such person's duty to the corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

(ii) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

(iii) Of expenses incurred in defending a threatened or pending action that is settled or otherwise disposed of without court approval unless it is settled with the approval of the Attorney General.

(d) To the extent that an agent of the corporation has been successful on the merits in defense of any proceeding referred to in paragraph (b) or (c) or in defense of any claim, issue, or matter in the proceeding, the agent shall be indemnified against expense actually and reasonably incurred by the agent in connection with the proceeding.

(e) Except as provided in paragraph (d), any indemnification under this article shall be made by the corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in paragraph (b) or (c), by:

(i) A majority vote of a quorum consisting of directors who are not parties to such proceeding; or

(ii) The court in which such proceeding is or was pending upon application made by the corporation, the agent, or the attorney or other person rendering service sin connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by the corporation.

(f) Expenses incurred in defending any proceeding may be advanced by the corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that he agent is entitled to be indemnified as authorized in this article.

(g) Nothing contained in this article shall affect any right to indemnification to which persons other than directors and officers of the corporation or any subsidiary of the corporation may be entitled by contract or otherwise.

(h) No indemnification or advance shall be made under this article, except as provided in paragraph (d) or paragraph (e) (2), in any circumstance where it appears:

(i) That it would be inconsistent with a provision of the Articles of Incorporation, a resolution of the Board of Directors or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(ii) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

(i) The corporation shall have power to purchase and maintain insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of this article; provided, however, that the corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the corporation for a violation of Section 5233.

(j) This article does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in such person's capacity as much, even though such person may also be an agent of the corporation as defined in paragraph (a). The corporation shall have the power to indemnify such trustee, investment manager, or other fiduciary to the extent permitted by subdivision (f) of Section 207 of the California Corporations Code.

## ARTICLE 10.
## EXECUTION OF CORPORATE INSTRUMENTS, AND VOTING OF STOCKS AND MEMBERSHIPS HELD BY THE CORPORATION

Section 10.1 Execution of Corporate Instruments. The Board of Directors may, in its discretion, determine the method and designate the signatory officer or officers or other person or persons, to execute any corporate instrument or document, or to sign the corporate name without limitation, except when otherwise provided by law, and such execution or signature shall be binding upon the corporation.

Unless otherwise specifically determined by the Board of Directors or otherwise required by law, formal contracts of the corporation, promissory notes, deeds of trust, mortgages, and other evidences of indebtedness of the corporation, and other corporate instruments or documents, and certificates of shares of stock owned by the corporation, shall be executed, signed, or endorsed by the Chairperson of the Board, Vice-Chairperson of the Board or the Executive Director and by the Secretary or Treasurer or any Assistant Secretary or Assistant Treasurer.

All checks and drafts drawn on banks or other depositories on funds to the credit of the corporation, or in special accounts of the corporation, shall be signed by such person or persons as the Board of Directors shall authorize to do so.

Section 10.2 Voting Stocks Owned by Corporation. All stock or other corporations or memberships in other corporations owned or held by the corporation for itself, or for other parties in any capacity, shall be voted, and all proxies with respect to such stock or memberships shall be executed, by the person authorized to do so by resolution of the Board of Directors, or in the absence of such authorization, by the Chairperson of the Board, the Vice-Chairperson of the Board, the Executive Director, or by any other person authorized to do so by the Chairperson of the Board or the Executive Director.

## ARTICLE 11.
## ANNUAL REPORT TO DIRECTORS

The corporation shall provide to the directors no later than 120 days after the close of its fiscal year, a report containing the following information in appropriate detail:

(a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year.

(b) The principal changes in assets and liabilities, including trust funds, during the fiscal year.

(c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year.

(d) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year.

(e) Any information required by Section 6322 of the California Corporations Code concerning certain self-dealing transactions involving more than $50,000 or indemnification's involving more than $10,000 which took place during the fiscal year.

The report shall be accompanied by any pertinent report of independent accountants, or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

## ARTICLE 12.
## MAINTENANCE AND INSPECTION OF CORPORATE RECORDS

Section 12.1 Maintenance and Inspection of Articles and Bylaws. The corporation shall keep at its principal office, or if its principal executive officer is not in the State of California, at its principal business office in California, the original or a copy of its Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the directors at all reasonable times during office hours. If the principal executive office of the corporation is outside the State of California, the Secretary shall, on the written request of any director, furnish to that director a copy of the Articles of Incorporation and Bylaws as amended to date.

Section 12.2 Maintenance and Inspection of Other Corporate Records. The accounting books, records, and minutes of proceedings of the Board of Directors and any committees of the corporation shall be kept at such place or places designated by the Board of Directors, or, in the absence of such designation, at the principal executive office of the corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed, or printed form. Upon leaving office, each officer, employee, or agent of the corporation shall turn over to his or her successor or the Executive Director, in good order, such corporate monies, books, records, minutes, lists, documents, contracts or other property of the corporation as have been in custody of such officer, employee, or agent during his or her term of office.

Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation and each of its subsidiary corporations. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts of documents.

## ARTICLE 13.
## CONTRACTS AND LOANS WITH DIRECTORS AND OFFICERS

Section 13.1 Contracts or Transactions with Directors and Officers. The corporation shall not be a party to any contract or transaction:

(a) In which one or more of its directors or officers has a material financial interest;

(b) With any corporation, firm, association, or other entity in which one or more of its directors or officers has a material financial interest; or

(c) With any corporation, firm, association, or other entity (other than a California Nonprofit Public Benefit Corporation) in which one or more of its directors is a director, unless:

(i) The material facts concerning the contract or transaction and such director's or officer's financial interest or common directorship are fully disclosed in good faith and are noted in the minutes, or are known to all members of the board prior to consideration by the board of such contract or transaction;

(ii) Such contract or transaction is authorized or approved in good faith by a majority of the board by a vote sufficient for that purpose without counting the vote of such interested directors or officers;

(iii) Prior to authorizing or approving the contract or transaction, the board considers and in good faith determines after reasonable investigation under the circumstances that the corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances or that the contract or transaction implements a charitable program of this corporation;

(iv) This corporation enters into the contract or transaction for its own benefit; and

(v) The contract or transaction is fair and reasonable to this corporation or implements a charitable program of the corporation at the time the contract or transaction is entered into.

A director or office of this corporation shall not be deemed to have a "material financial interest" in a contract or transaction that implements a charitable program of this corporation solely because such a contract or transaction results in a benefit to a director or officer or their families by virtue of their membership in the class of persons intended to be benefited by the charitable program of this corporation, as long as the contract or transaction is approved or authorized by the corporation in good faith and without unjustified favoritism.

Section 13.2 Loans to Directors and Officers. The corporation shall not make any loan of money or property to or guarantee the obligation of any director or officer, unless approved by the Attorney General of the State of California; provided, however, that the corporation may advance money to a director or officer of the corporation for expenses reasonably anticipated to be incurred in the performance of the duties of such director or officer, provided that in the absence of such advance, such director or officer would be entitled to be reimbursed for such expenses by the corporation. Directors of the corporation who approve the making of any such loan or guaranty shall be jointly and severally liable to the corporation for any loss suffered by the corporation as a result of the loan or guaranty.

Section 13.3 Mutual Directors. No contract or other transaction between the corporation and any California Nonprofit Public Benefit Corporation of which one or more of its directors are directors of this corporation is either void or voidable because such director(s) are present at a meeting of the board which authorizes, approves, or ratifies the contract or transaction if the material facts as to the transaction and as such director's other directorship are fully disclosed or known to the board and the board authorizes, approves, or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common director(s), or if the contract or transaction is just and reasonable as to the corporation at the time it is authorized, approved or ratified.

## ARTICLE 14.
## FISCAL YEAR

The fiscal year of the corporation shall run from January through December of each year.

## ARTICLE 15.
## CONSTRUCTION AND DEFINITIONS

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the California Nonprofit Corporation Law as amended from time to time shall govern the construction of these Bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural

and the plural number includes the singular, and the term "person" includes a corporation as well as a natural person. If any competent court of law shall deem any portion of these Bylaws invalid or inoperative, then so far as is reasonable and possible:

(a) The remainder of these Bylaws shall be considered valid and operative; and

(b) Effect shall be given to the intent manifested by the portion deemed invalid or inoperative.

## ARTICLE 16.
## AMENDMENTS

These Bylaws may be adopted, amended or repealed by the vote of a majority of the directors present at a meeting duly held at which a quorum is present. Such action is authorized only at a duly called and held meeting of the Board of Directors for which written notice of such meeting, setting forth the proposed Bylaw revisions and explanations therefore, is given in accordance with these Bylaws, unless such notice is waived in accordance with these Bylaws.

## CERTIFICATE

I, the undersigned, certify that I am the currently elected and acting Secretary of the Community Housing Development Corporation of North Richmond, a California Nonprofit Public Benefit Corporation, and the above Bylaws, consisting of 17 pages, are the Bylaws of this corporation as adopted at a meeting of the Board of Directors held on March 8, 2005.

Dated: March 8, 2005

Executed at Richmond, California.

Jesse J. Slocum Jr

Secretary: Jesse Slocum

GRANT & SMITH, LLP
Certified Public Accountants

February 2, 2022

City of Vallejo - CHDO
200 Georgia St.
Vallejo, CA 94590

To Whom it May Concern:

We have audited the financial statements of Community Housing Development Corporation of North Richmond for the years ended December 31, 2021.

Based on our audits of the financial statements for the years ended December 31, 2021, we confirm that Community Housing Development Corporation of North Richmond maintains their books of account and records in conformity with Standards of Financial Management Systems and internal controls contained in 2CFR 200.302 and 200.303.

Very Truly Yours,

Grant & Smith, LLP

Grant & Smith, LLP

333 Hegenberger Road, Suite 325, Oakland, California 94621 T: 510 832 0257 | F: 510 272 9757 www.grantandsmithcpa.com

# COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND

## AUDITED FINANCIAL STATEMENTS

## DECEMBER 31, 2020

GRANT & SMITH, LLP
*Certified Public Accountants*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**

**AUDITED FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

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GRANT & SMITH, LLP
*Certified Public Accountants*

# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of Community Housing Development Corporation of North Richmond (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Housing Development Corporation of North Richmond as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2021, on our consideration of Community Housing Development Corporation of North Richmond's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Housing Development Corporation of North Richmond's internal control over financial reporting and compliance.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### Report on Summarized Comparative Information

We have previously audited Community Housing Development Corporation of North Richmond's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 16, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Grant & Smith, LLP

Oakland, California
June 29, 2021

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FINANCIAL POSITION**
**AS OF DECEMBER 31, 2020**
**(With Summarized Totals for 2019)**

## ASSETS

| | 2020 | 2019 |
|---|---|---|
| **Current Assets** | | |
| Cash & Cash Equivalents | $ 15,895,492 | $ 5,478,374 |
| Accounts Receivable | 197,243 | 142,920 |
| Due from Affiliates | 3,696,370 | 4,749,478 |
| Deposits & Other Assets | 4,000 | 4,000 |
| Prepaid Expenses | 19,346 | 22,447 |
| Total Current Assets | 19,812,451 | 10,397,219 |
| **Non Current Assets** | | |
| Notes Receivable | 10,147,148 | 10,323,779 |
| Investment in Affiliates | 236,762 | 236,762 |
| **Fixed Assets** | | |
| Property & Equipment, Net | 711,164 | 778,846 |
| Land/Property Held for Development | 2,743,855 | 3,736,635 |
| Construction in Progress/Predevelopment Costs | 5,290,570 | 5,328,634 |
| Financing Costs Less Amortization | 1,340 | 1,521 |
| Total Fixed Assets | 8,746,929 | 9,845,636 |
| Total Non Current Assets | 19,130,839 | 20,406,177 |
| **Total Assets** | $ 38,943,290 | $ 30,803,396 |

## LIABILITIES & NET ASSETS

| | | |
|---|---|---|
| **Current Liabilities** | | |
| Accounts Payable | $ 102,838 | $ 132,287 |
| Salaries Payable | 53,999 | 35,717 |
| Accrued Expenses | 134,045 | 93,623 |
| Accrued Vacation | 124,670 | 57,823 |
| Deferred Program Revenue | 915,569 | 15,119 |
| Security Deposits | 1,000 | 1,000 |
| Notes Payable, Current Portion | 581,625 | 264,168 |
| Total Current Liabilities | 1,913,746 | 599,737 |
| **Long Term Liabilities** | | |
| Notes Payable | 5,414,128 | 5,544,696 |
| Less Notes Payable, Current Portion | (581,625) | (264,168) |
| PPP Loan | 349,760 | |
| Recoverable Grant | 14,223,450 | 8,591,791 |
| Accrued Interest Payable | 705,089 | 840,660 |
| Total Long Term Liabilities | 20,110,802 | 14,712,979 |
| Total Liabilities | 22,024,548 | 15,312,716 |
| **Net Assets** | | |
| Without Donor Restrictions | 12,895,386 | 9,649,237 |
| With Donor Restrictions | 4,023,356 | 5,841,443 |
| Total Net Assets | 16,918,742 | 15,490,680 |
| **Total Liabilities & Net Assets** | $ 38,943,290 | $ 30,803,396 |

*See accompanying notes.*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF ACTIVITIES**
**FOR THE YEAR ENDED DECEMBER 31, 2020**
**(With Summarized Totals for 2019)**

| | 2020 | | | 2019 |
|---|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total All Funds | Total All Funds |
| **Support & Revenue** | | | | |
| **Support** | | | | |
| Grants & Donations | $ 461,704 | | $ 461,704 | $ 404,170 |
| Contributions | 7,085 | | 7,085 | 26,897 |
| Total Support | 468,789 | | 468,789 | 431,067 |
| **Revenue** | | | | |
| Government Contracts | 2,581,439 | | 2,581,439 | 1,760,839 |
| Management Fees | 718,078 | | 718,078 | 199,358 |
| Developer Fees | 979,169 | | 979,169 | 3,268,750 |
| Property Sale Proceeds | 1,208,215 | | 1,208,215 | 336,000 |
| Rental Revenue | 44,366 | | 44,366 | 58,505 |
| Interest Income | 75,530 | | 75,530 | 57,266 |
| Other Income | 17,772 | | 17,772 | 34,068 |
| Net Assets Released from Restriction | 1,818,087 | (1,818,087) | | |
| Total Revenue | 7,442,656 | (1,818,087) | 5,624,569 | 5,714,786 |
| **Total Support & Revenue** | 7,911,445 | (1,818,087) | 6,093,358 | 6,145,853 |
| **Operating Expenses** | | | | |
| Affordable Housing Program | 3,336,164 | | 3,336,164 | 2,124,794 |
| Management & General | 1,329,132 | | 1,329,132 | 1,020,361 |
| **Total Expenses** | 4,665,296 | | 4,665,296 | 3,145,155 |
| **Changes in Net Assets** | 3,246,149 | (1,818,087) | 1,428,062 | 3,000,698 |
| **Net Assets, Beginning of the Year** | 9,649,237 | 5,841,443 | 15,490,680 | 12,489,982 |
| **Prior Year Adjustment** | | | | |
| **Net Assets, End of the Year** | $ 12,895,386 | $ 4,023,356 | $ 16,918,742 | $ 15,490,680 |

*See accompanying notes.*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FUNCTIONAL EXPENSES**
**FOR THE YEAR ENDED DECEMBER 31, 2020**
**(With Summarized Totals for 2019)**

| | 2020 | | | |
|---|---|---|---|---|
| | Affordable Housing Program | Management & General | Total | 2019 Total |
| **Expenses** | | | | |
| Salaries & Wages | $ 1,353,284 | $ 742,035 | $ 2,095,319 | $ 1,653,558 |
| Payroll Taxes | 93,362 | 51,193 | 144,555 | 124,520 |
| Employee Benefits | 101,104 | 55,438 | 156,542 | 242,681 |
| Professional Services | 54,791 | 30,043 | 84,834 | 154,199 |
| Rent | 20,123 | 11,034 | 31,157 | 32,393 |
| Utilities | 13,286 | 7,285 | 20,571 | 21,950 |
| Dues & Subscriptions | 6,803 | 3,730 | 10,533 | 20,199 |
| Conference & Training | 1,553 | 852 | 2,405 | 26,266 |
| Travel & Meals | 10,946 | 6,002 | 16,948 | 44,027 |
| Office Expenses | 13,759 | 7,544 | 21,303 | 16,272 |
| Postage | 1,786 | 979 | 2,765 | 6,251 |
| Telephone | 25,468 | 13,965 | 39,433 | 33,023 |
| Insurance | 8,875 | 4,866 | 13,741 | 15,066 |
| Equipment, Maintenance & Repairs | 14,825 | 8,129 | 22,954 | 28,384 |
| Contract Service | 16,638 | 9,123 | 25,761 | 24,897 |
| Rental Property Expenses | 1,237,144 | | 1,237,144 | 230,165 |
| Supportive Services | 296,932 | 162,814 | 459,746 | 319,261 |
| Board Expenses | 8,145 | | 8,145 | 7,672 |
| Depreciation | | 99,734 | 99,734 | 31,963 |
| Amortization | | 181 | 181 | 181 |
| Interest Expenses | | 114,185 | 114,185 | 79,139 |
| Other Expenses | 57,340 | | 57,340 | 33,088 |
| **Total Expenses** | $ 3,336,164 | $ 1,329,132 | $ 4,665,296 | $ 3,145,155 |

*See accompanying notes*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED DECEMBER 31, 2020**
**(With Summarized Totals for 2019)**

| | 2020 | 2019 |
|---|---|---|
| **Cash Flows From Operating Activities:** | | |
| Changes in Net Assets | $ 1,428,062 | $ 3,000,698 |
| Adjustments to Reconcile Net Assets to Net Cash Provided (Used) by Operating Activities: | | |
| Depreciation & Amortization | 99,915 | 32,144 |
| *(Increases)/Decreases in Operating Assets* | | |
| Accounts Receivable | (54,323) | (19,790) |
| Notes Receivable | 176,631 | 97,631 |
| Deposits | | (2,000) |
| Prepaid Expenses | 3,101 | (8,345) |
| *Increases/(Decreases) in Liabilities* | | |
| Accounts Payable | (29,449) | (144,154) |
| Salaries Payable | 18,282 | 8,782 |
| Accrued Payables | 40,422 | 44,846 |
| Accrued Vacation | 66,847 | 8,477 |
| Accrued Interest | (135,571) | 85,178 |
| Recoverable Grants | 5,631,659 | (91,141) |
| Due from Affiliate | 1,053,108 | (2,771,285) |
| Deferred Program Revenue | 900,450 | (34,330) |
| Total Adjustment | 7,771,072 | (2,793,987) |
| Net Cash Provided (Used) by Operating Activities | 9,199,134 | 206,711 |
| **Cash Flows From Investing Activities:** | | |
| Purchases of Fixed Assets (Net) | (32,052) | (299,992) |
| Land Held for Development | 992,780 | (974,828) |
| Construction In Progress/Predevelopment Costs | 38,064 | 443,400 |
| Net Cash Provided (Used) by Investing Activities | 998,792 | (831,420) |
| **Cash Flows From Financing Activities:** | | |
| Proceeds/(Repayment) from Issuance of Notes Payable | 219,192 | 1,779,788 |
| Net Cash Provided (Used) by Financing Activities | 219,192 | 1,779,788 |
| Net Increase (Decrease) in Cash | 10,417,118 | 1,155,079 |
| **Cash at the Beginning of the Year** | 5,478,374 | 4,323,295 |
| **Cash at the End of the Year** | $ 15,895,492 | $ 5,478,374 |
| Supplemental disclosure of cash flow information: | | |
| Cash paid for: | | |
| Interest Expenses | $ 114,185 | $ 79,139 |
| Taxes | $ | $ |

*See accompanying notes.*

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### General

Community Housing Development Corporation of North Richmond (CHDC) (the Organization), (a nonprofit organization), was formed to promote the general welfare and economic development of low-income groups in Contra Costa, Alameda, Solano, San Francisco, Santa Cruz and Santa Clara Counties. CHDC accomplishes its objectives by constructing, rehabilitating, and providing decent, safe and sanitary housing for persons and families of low income who are in need of a suitable place to live.

### Basis of Accounting

The Organization's books are maintained, and the financial statements have been prepared, on the accrual basis of accounting, except developer fees and grants from foundations, which are recorded on the cash basis, when received.

### Financial Statement Presentation

As required, the accompanying financial statements have been prepared to focus on the Organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by the classification of net assets and transactions into the following classes of assets:

*Net Assets without Donor Restrictions* - Net assets not subject to donor-imposed stipulations.

*Net Assets with Donor Restrictions* - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time, or be maintained permanently by the Organization

The Organization uses net assets with donor restrictions in accordance with donor-imposed restrictions to support specific programs and associated administrative functions. Net assets without donor restrictions are used to support general programs and associated general and administrative functions.

### Contributions

Generally accepted accounting principles require the Organization to report information about its financial position and activities in two classes of net assets: without donor restrictions and with donor restrictions. Unrestricted contributions are recognized as an increase in net assets without donor restrictions when received. Donor restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the donor-imposed restriction. When restrictions are satisfied, either by the passage of time or by accomplishing the purpose, the net assets with donor restrictions are released are reclassified to net assets without donor restrictions and reported in the activity statement as net assets released from restrictions.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Contributions (Continued)

When restrictions are satisfied in the same accounting period that the contribution is received, both the revenue and the related expense are reported in the net asset without donor restrictions class.

### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with maturity within three months or less to be cash equivalents.

### Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, based on management estimates certain costs have been allocated among the programs and supporting services benefited.

### Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. The Organization capitalizes all significant additions and improvements in excess of $500. Property and equipment are being depreciated using the straight-line half-year convention over the estimated useful life of the asset, 30 years for building, 15-30 years for leasehold improvements and 3-5 years for furniture, office equipment and vehicles.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation is removed from the accounts and any resulting gain or loss is recognized in income for the period.

The cost of maintenance and repairs, which neither materially add to the value of the property, nor appreciably prolong its life are recorded as expenses as incurred.

For the fiscal year ending December 31, 2020 the organization incurred $99,734 in depreciation expense.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Financing Costs

Financing costs associated with acquiring a long-term notes payable are being amortized on a straight-line basis over the life of the note, 30 years. Amortization expense for December 31, 2020 was $181 .

### Construction in Progress/ Predevelopment Costs

The Organization capitalizes all significant costs associated with designing, developing, and constructing its various low-income housing projects. Proceeds from the sale of constructed units are either recognized as revenue or are returned to grantors, if grant funds were used during the development of the project. Capitalized costs relative to projects which are later deemed to be infeasible are expensed in the year the project is abandoned.

### Income Taxes

The Organization is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code Section 23701 (d) of the California Revenue and Taxation Code. GAAP provides accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Organization's returns for years 2018 through 2020 are subject to examination by federal and state taxing authorities, generally for three years after they are filed.

### Fair Value of Financial Instruments

The carrying amounts of cash, cash equivalents, accounts receivable and other assets approximate fair values due to the short-term maturities of these assets.

### Accounts Receivable

Accounts Receivable consist of amounts due from funding sources, as described in Note 3, and are considered by management to be fully collectible.

### Comparative Information

The financial statements include certain summarized comparative information from the prior year. This information is presented in total and not by net asset class and does not include sufficient detail to be in conformity with generally accepted accounting principles. Such information should be read together with the Organization's financial statements for the year ended December 31, 2019 from which the summarized information was extracted. Certain amounts in the prior year financial statements have been reclassified for comparison purposes to conform for the current year presentation.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Recently Issued Accounting Pronouncements

In February 2016, the FASB issued an accounting pronouncement (FASB ASU 2016-02) related to the accounting for leases. This pronouncement requires lessees to record most leases on their balance sheet, while expense recognition on the income statement remains similar to current lease accounting guidance. The guidance also eliminates real estate- specific provisions and modifies certain aspects of lessor accounting. Under the new guidance, lease classification as either a finance lease or an operating lease will determine how lease-related revenue and expense are recognized. Lessees (for capital and operating leases) and lessors (for sales-type, direct financing, and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. Lessees and lessors may not apply a full retrospective transition approach. Nonpublic business entities should apply the amendments for fiscal years beginning after December 15, 2019 (i.e., January 1, 2020, for a calendar year entity), and interim periods within fiscal years beginning after December 15, 2020. Early application is permitted. ASU 2016-02 has currently no effect on the Organization's financials.

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606), which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The ASU will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The standard permits the use of either the retrospective or cumulative effect transition method. In August 2015, the FASB issued ASU No. 2015-14, Revenue from Contracts with Customers (Topic 606), which deferred the effective date of the new revenue recognition standard for one year. Then in June 2020 FASB issued ASU 2020-05, which deferred the effective date of ASU 20014-09 & 2016-14 for another year.
The new standard is effective for the Organization July 1, 2020. The Organization is evaluating the effect that ASU 2014-09 will have on its financial statements and related disclosures.

## NOTE 2 - CASH AND CASH EQUIVALENTS

At December 31, 2020, cash and cash equivalents consisted of:

| | | |
|---|---|---|
| Cash – Unrestricted | $ | 6,667,139 |
| Cash – Restricted | | 9,228,353 |
| Total | $ | 15,895,492 |

At year ended December 31, 2020, the Organization cash balances exceeded the deposit insurance covered by the Federal Deposit Insurance Corporation (FDIC). Bank of the West and CitiBank were over by $4,105,936 and 5,656,971 respectively. Wells Fargo Bank was over by $119,966, Torrey Pines was also over by $3,222,753. California Bank and Trust was over by $820,218. First Utah Bank was in excess of $363,078.

## NOTE 3 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures without donor restrictions or other restrictions limiting their use, within one year of December 31, 2020 are:

| | | |
|---|---|---|
| Financial Assets | | |
| Cash – Unrestricted | $ | 6,667,139 |
| Accounts Receivable | | 197,243 |
| Due from Affiliates | | 3,696,370 |
| Amount Available for general expenditures | $ | 10,560,752 |

The organization has policies to structure its financial assets to be available for general expenditures, liabilities, and other obligations come due. The organization policy is to maintain a cash-on-hand balance at a minimum of $2 million. This balance is maintained through collection of development fees the organization collections from projects. At the year ended December 31, 2020, the organization has cash for general expenditures to maintain expenses the organization will incur for over a year. The organization invests excess cash in savings accounts.

## NOTE 4 - ACCOUNTS RECEIVABLE

At December 31, 2020, accounts receivable consisted of:

| | | |
|---|---|---|
| Federal Contracts | $ | 89,534 |
| Other | | 107,709 |
| Total | $ | 197,243 |

## NOTE 5 - NOTES RECEIVABLE

Notes receivable consists of loans from the CalHome Program and NeighborhoodLIFT. The CalHome Program enables assistance for first-time homebuyer down payment. The program assists individual households through deferred payment loans. As of December 31, 2020, the outstanding balance was $1,687,148.

The Neighborhood LIFT program provides down payment assistance. As of December 31, 2020, the outstanding balance was $8,460,000.

## NOTE 6 – INVESTMENT IN AFFILIATES

At December 31, 2020, the Organization recorded an investment in Community First Lending of $236,762 reclassified from Due from Community First Lending account balance in 2014.

## NOTE 7 - PROPERTY AND EQUIPMENT

At December 31, 2020, property and equipment were as follows:

| | | |
|---|---|---|
| Land | $ | 146,441 |
| Building | | 725,274 |
| Equipment & Furniture | | 242,346 |
| Leasehold Improvements | | 106,932 |
| Total Fixed Assets | | 1,220,993 |
| Less Accumulated Depreciation | | (509,829) |
| Net Property & Equipment | $ | 711,164 |

## NOTE 8 – LAND/PROPERTY HELD FOR DEVELOPMENT

At December 31, 2020, land/property held for development was as follows:

| | | |
|---|---|---|
| Land (Acquired for Development) | $ | 2,324,711 |
| Property (Acquired for Development) | | 419,144 |
| Total | $ | 2,743,855 |

## NOTE 9 - CONSTRUCTION IN PROGRESS/PREDEVELOPMENT COSTS

At December 31, 2020, The Organization had accumulated capitalized costs of $5,290,570 representing costs relative to acquiring, designing and constructing low income housing units. Proceeds from the sale of constructed units are either recognized as revenue or returned to grantors, if recoverable grant funds were used to fund acquisition and/or construction or for the repayment of loans if loans proceeds were used.

## NOTE 10 - NOTES PAYABLE

At December 31, 2020, the Organization was obligated on the following notes:

| Creditor | Notes Detail | | Outstanding Balance |
|---|---|---|---|
| City of Richmond as Successor Agency to Redevelopment Agency | Note payable for 1448-52 Filbert Street, Richmond, CA. 0% annual interest rate, payable upon sale of the securing property or the occurrence of an event of default, secured by deed of trust. | $ | 195,078 |
| City of Richmond as Successor Agency to Redevelopment Agency | Two (2) notes for various projects, interest accrues at 3% simple interest per annum, principal and deferred interest payable at maturity, October 2056, secured by deed of trust. | $ | 118,283 |

| | | | |
|---|---|---|---|
| S.H. Cowell Foundation | Notes payable for a principal sum of $1,000,000 for 1243-1255 Filbert Street, 1234 Filbert Street and 1267 Willard Avenue, interest rate accrues at 2.5% per annum. The note is secured by a deed of trust, maturing October 31, 2022. | $ | 1,000,000 |
| City of Richmond | Note payable to finance predevelopment of 1267 Filbert Street. The note bears interest rate of 3% and is due September 30, 2065. | $ | 1,099,593 |
| Contra Costa County as Successor Agency to Redevelopment Agency | Note Payable to finance the acquisition and rehabilitation of 1722-24 Fred Jackson Way. The note bears 0% interest rate. The note is secured by Deed of Trust and matures on December 31, 2019. Loan is currently in default. | $ | 214,178 |
| City of Oakland | Note payable for 1904 Adeline Street, interest payable at 3.0% per annum, maturing on February 7,2020. Loan is currently in default. | $ | 50,000 |
| City of Vallejo | Note Payable for 720-726 & 759 Sonoma Estates, interest payable at 3% per annum, maturing May 22, 2024. | $ | 419,549 |
| Local Initiatives Supportives Corp (LISC) | Three notes (3) for Friendship Senior Housing 1904 Adeline St. Oakland CA. Interest accrues at various rate%. The loan is secured by a first priority security interest and lien upon the real estate located at 1904 Adeline Street. Notes are due November 14, 2021. | $ | 317,447 |
| NeighborWorks Salt Lake/AHMI Fund, LLC | Note payable – Capital loan fund, interest payable at 5.5% per annum, maturing 04/15/2024 | $ | 2,000,000 |
| Total Notes Payable | | $ | 5,414,128 |

## NOTE 10 - NOTES PAYABLE (Continued)

The future annual maturities of long-term debts are as followed:

| | | |
|---|---|---|
| 2021 | $ | 581,625 |
| 2022 | | 1,000,000 |
| 2023 | | |
| 2024 | | 2,419,549 |
| 2025 | | |
| Thereafter | | 1,412,954 |
| Total | $ | 5,414,128 |

## NOTE 11 – PAYCHECK PROTECTION PROGRAM LOAN

On April 29, 2020, the Organization received loan proceeds in the amount of $349,760 under Paycheck Protection Program ("PPP"). The PPP, establish as part of the Corona Virus Aid, Relief and Economic Security Act ("CARES Act"), Provides for loans to qualifying businesses. The loan is guaranteed by the Small Business Association. The loan qualifies for 100% forgiveness if certain criteria are met. The loan has an interest rate of 1% maturing in 2 years from the date of initial disbursement.

## NOTE 12 – NET ASSETS WITH DONOR RESTRICTION

At December 31, 2020, net assets with donor restrictions are as follow

| | | |
|---|---|---|
| CalHOME | $ | 2,311,449 |
| Neighborworks Salt Lake | | 1,142,173 |
| Barrett Plaza | | 1,018 |
| Ways to Work Program - Reserve | | 323,029 |
| LIFT Program | | 88,189 |
| AFI Program | | 72,383 |
| Contra Costa County | | 41,693 |
| IDA – Spring Board | | 16,682 |
| Others | | 26,740 |
| Total | $ | 4,023,356 |

## NOTE 13- RECOVERABLE GRANTS

The organization received Community Block Development Grant funds through Contra Costa County in the amount of $141,706 for the improvements of the Multi-Cultural Senior and Family Center in Richmond, California. The organization is required to repay Contra Costa County shall these funds be expended without meeting the requirements of the grantor. The amount of the grant recoverable is $23,850.

## NOTE 13- RECOVERABLE GRANTS (Continued)

The organization received funds from NeighborWorks in the amount of $9,000,000 in 2017/2018 and $5,750,000 in 2020 for the NeighborhoodLIFT program. The organization is required to repay NeighborWorks shall these funds be expended without meeting the requirements of the grantor. The amount of grant recoverable is $14,199,600.

## NOTE 14 - RETIREMENT PLAN

The Organization sponsors a qualified 403(b) retirement plan for eligible employees who meet the plan's eligibility requirements. Eligible employees are those employees who have completed one year of employment and have reached age 21, or were employed on the effective date of the plan, January 1, 2004. Employees may contribute up to the maximum allowed by income tax regulations; the Organization matches one hundred percent of employee contributions up to a maximum of 2%. The Organization contributions vest incrementally over four years, after the first year of service. As of December 31, 2020, the organization paid $14,581 into this plan.

## NOTE 15 - LEASE COMMITMENTS

As of December 31, 2020, the Organization incurred $15,972 in rental expenses. The Organization is leasing office spaces in Richmond, California. The Richmond office's lease expires on May 14, 2025. The following is a schedule of the future minimum lease payments under these operating leases:

| | Office Space |
|---|---|
| 2021 | $ 15,972 |
| 2022 | 15,972 |
| 2023 | 15,972 |
| 2024 | 15,972 |
| 2025 | 6,655 |
| Total | $ 70,543 |

## NOTE 16 – CONCENTRATIONS OF CREDIT RISK

The Organization has identified its financial instruments which are potentially subject to risk as cash and receivables. The Organization invests its Cash with various financial institutions. These deposits include amounts over federally insured limits. Accounts receivable represent primarily unsecured amounts due from federal agencies, other government agencies, foundations, and various organizations and individuals. The organization has not previously experienced significant credit losses.

## NOTE 17 – ECONOMIC CONCENTRATIONS

The Organization is dependent upon government grants, donations and other support from individuals, foundations and other entities in addition to program fees and contracts. If the level of support varies, there may be resulting effect upon the level and types of activities and program services offered by CHDC. For the year ended December 31, 2020, government grants and program revenue represented 42% of CHDC's revenue; foundation grants represented 8% of CHDC's revenue.

## NOTE 18 – COVID -19

In early March 2020, the COVID-19 virus was declared a global pandemic, and it unfortunately continues to spread rapidly. Business continuity, including supply chains and consumer demand across a broad range of industries and countries, could be severely impacted for months or more, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time.

## NOTE 19 - SUBSEQUENT EVENTS

Management of the Organization has reviewed the results of operations for the period of time from its year end, December 31, 2020 through June 29, 2021, the date the financial statements were available to be issued and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

On March 11, 2021, the PPP Loan has been forgiven in full by the Small Business Administration (SBA) with $349,760 in principal and $3,041 in interest.

# SUPPLEMENTARY INFORMATION

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
**FOR THE YEAR ENDED DEECMBER 31, 2020**

| Federal Grantor/Pass Through Grantor/ Program Title | CFDA NUMBER | PASS THROUGH GRANT IDENTIFYING NUMBER | FEDERAL EXPENDITURES | LOAN BALANCES |
|---|---|---|---|---|
| U.S. Department of Housing and Urban Development | | | | |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant | 14.218 * | N/A | | $ 313,361 |
| Pass Through: Contra Costa County<br>Program: Community Development Block Grant | 14.218 * | N/A | $ 70,264 | 214,178 |
| Sub-Total of Community Development Block Grant | | | 70,264 | 527,539 |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant ARRA Entitlement Grant(CDBG-R) | 14.253 * | N/A | | 1,099,593 |
| Total U.S. Department of Housing and Urban Development | | | 70,264 | 1,627,132 |
| U.S. Department of Treasury<br>Program: NeighborWorks America | 21.000 | N/A | 834,642 | |
| Total U.S. Department of Treasury | | | 834,642 | |
| U.S. Department of Health and Human Services | | | | |
| Pass Through: Contra Costa County<br>Program: Senior Nutrition Program | 93.045 | N/A | 11,215 | |
| Total U.S. Department of Health and Human Services | | | 11,215 | |
| Total Federal Awards | | | $ 916,121 | $ 1,627,132 |

* Tested as a major program

## COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND
## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
## FOR THE YEAR ENDED DECEMBER 31, 2020

**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Housing Development of North Richmond and Affiliates under programs of the federal government for the year December 31, 2020 in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Community Housing Development of North Richmond and Affiliates, it is not intended to and does not present the financial position changes in net assets, or cash flows for Community Housing Development of North Richmond and Affiliates.

**2. Summary of Significant Accounting Policies**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.
Community Housing Development of North Richmond has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

**3. Housing Program Loans**

The Organization participates in housing programs where funds have been provided by U.S Department of Housing and Urban Development and U.S Department of Treasury as loans. Outstanding balance for these loans at December 31, 2020 are as followed.

| Federal Grantor/Pass Through Grantor/ Program Title | CFDA NUMBER | LOAN BALANCE 12/31/2019 | INCREASED/ (DECREASE) | LOAN BALANCE 12/31/2020 |
|---|---|---|---|---|
| U.S. Department of Housing and Urban Development | | | | |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant | 14.218 | $ 396,084 | (82,723) | $ 313,361 |
| Pass Through: Contra Costa County<br>Program: Community Development Block Grant | 14.218 | 214,178 | | 214,178 |
| Pass Through: City of Richmond<br>Program: Home Investment Partnerships Program | 14.239 | 365,292 | (365,292) | |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant ARRA Entitlement Grant (CDBG-R) | 14.253 | 1,099,593 | | 1,099,593 |
| Total U.S. Department of Housing and Urban Development | | 2,075,147 | (448,015) | 1,627,132 |
| Total Federal Loan Balance | | $ 2,075,147 | $ (448,015) | $ 1,627,132 |

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*Certified Public Accountants*

# INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Housing Development Corporation of North Richmond (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 29, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Community Housing Development Corporation of North Richmond's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS (CONTINUED)*

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Housing Development Corporation of North Richmond's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Grant & Smith, LLP

Oakland, California
June 29, 2021

# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

## Report on Compliance for Each Major Federal Program

We have audited Community Housing Development Corporation of North Richmond's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Housing Development Corporation of North Richmond's major federal programs for the year ended December 31, 2020. Community Housing Development Corporation of North Richmond's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of Community Housing Development Corporation of North Richmond's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Housing Development Corporation of North Richmond's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Community Housing Development Corporation of North Richmond's compliance.



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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

### *Opinion on Each Major Federal Program*

In our opinion, Community Housing Development Corporation of North Richmond complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

### Report on Internal Control Over Compliance

Management of Community Housing Development Corporation of North Richmond is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Community Housing Development Corporation of North Richmond's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Grant & Smith, LLP

Oakland, California
June 29, 2021

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**YEAR ENDED DECEMBER 31, 2020**

## SECTION I – SUMMARY OF AUDITOR'S RESULTS

***Financial Statements***

| | |
|---|---|
| Type of auditor's report issued: | *Unmodified* |
| Internal control over financial reporting: | |
| • Material weaknesses identified? | None |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None |
| Noncompliance material to financial statements noted? | None |

***Federal Awards***

| | |
|---|---|
| Internal control over major program: | |
| • Material weaknesses identified? | None |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None |
| Type of auditors' report issued on compliance for major program: | *Unmodified* |
| Any audit findings disclosed that are required to be reported in Accordance with Uniform Grants Guidance? | No |

Identification of major program:

| *CFDA Number* | *Name of Federal Program* |
|---|---|
| 21.000 | NeighborWorks America |
| 14.253 | Community Development Block Grant - ARRA |

| | |
|---|---|
| Dollar threshold used to distinguish between type A and type B programs: | $750,000 |
| Auditee qualified as a low risk auditee? | Yes |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**
**YEAR ENDED DECEMBER 31, 2020**

## SECTION II - FINANCIAL STATEMENTS FINDINGS

No matters were reported.

## SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**STATUS OF CURRENT YEAR FINDINGS**
**DECEMBER 31, 2020**

None.

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**STATUS OF PRIOR YEAR FINDINGS**
**DECEMBER 31, 2020**

None.

# COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND

## AUDITED FINANCIAL STATEMENTS

## DECEMBER 31, 2019

GRANT & SMITH, LLP
Certified Public Accountants

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**

**AUDITED FINANCIAL STATEMENTS**

**DECEMBER 31, 2019**

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GRANT & SMITH, LLP
*Certified Public Accountants*

# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of Community Housing Development Corporation of North Richmond (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Housing Development Corporation of North Richmond as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The statement of financial position – NeighborWorks are presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2020, on our consideration of Community Housing Development Corporation of North Richmond's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Housing Development Corporation of North Richmond's internal control over financial reporting and compliance.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

**Report on Summarized Comparative Information**

We have previously audited Community Housing Development Corporation of North Richmond's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 12, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Grant + Smith, LLP

Oakland, California
June 16, 2020

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FINANCIAL POSITION**
**AS OF DECEMBER 31, 2019**
**(With Summarized Totals for 2018)**

## ASSETS

| | 2019 | 2018 |
|---|---|---|
| **Current Assets** | | |
| Cash & Cash Equivalents | $ 5,478,374 | $ 4,323,294 |
| Accounts Receivable | 142,920 | 123,130 |
| Due from Affiliate | 4,749,478 | 1,978,194 |
| Deposits & Other Assets | 4,000 | 2,000 |
| Prepaid Expenses | 22,447 | 14,102 |
| Total Current Assets | 10,397,219 | 6,440,720 |
| **Non Current Assets** | | |
| Notes Receivable | 10,323,779 | 10,421,410 |
| Investment in Affiliates | 236,762 | 236,762 |
| **Fixed Assets** | | |
| Property & Equipment, Net | 778,846 | 510,817 |
| Land/Property Held for Development | 3,736,635 | 2,761,807 |
| Construction in Progress/Predevelopment Costs | 5,328,634 | 5,772,034 |
| Financing Costs Less Amortization | 1,521 | 1,702 |
| Total Fixed Assets | 9,845,636 | 9,046,360 |
| Total Non Current Assets | 20,406,177 | 19,704,532 |
| **Total Assets** | $ 30,803,396 | $ 26,145,252 |

## LIABILITIES & NET ASSETS

| | | |
|---|---|---|
| **Current Liabilities** | | |
| Accounts Payable | $ 132,287 | $ 276,441 |
| Salaries Payable | 40,068 | 31,286 |
| Accrued Expenses | 89,272 | 44,426 |
| Accrued Vacation | 57,823 | 49,346 |
| Deferred Program Revenue | 15,119 | 49,449 |
| Security Deposits | 1,000 | 1,000 |
| Notes Payable, Current Portion | 264,168 | 853,289 |
| Total Current Liabilities | 599,737 | 1,305,237 |
| **Long Term Liabilities** | | |
| Notes Payable | 5,544,696 | 3,764,908 |
| Less Notes Payable, Current Portion | (264,168) | (853,289) |
| Recoverable Grant | 8,591,791 | 8,682,932 |
| Accrued Interest Payable | 840,660 | 755,482 |
| Total Long Term Liabilities | 14,712,979 | 12,350,033 |
| Total Liabilities | 15,312,716 | 13,655,270 |
| **Net Assets** | | |
| Without Donor Restrictions | 9,649,237 | 6,566,332 |
| With Donor Restrictions | 5,841,443 | 5,923,650 |
| Total Net Assets | 15,490,680 | 12,489,982 |
| **Total Liabilities & Net Assets** | $ 30,803,396 | $ 26,145,252 |

*See accompanying notes.*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF ACTIVITIES**
**FOR THE YEAR ENDED DECEMBER 31, 2019**
**(With Summarized Totals for 2018)**

| | 2019 | | | 2018 |
|---|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total All Funds | Total All Funds |
| **Support & Revenue** | | | | |
| **Support** | | | | |
| Grants & Donations | $ 404,170 | | $ 404,170 | $ 420,235 |
| Contributions | 26,897 | | 26,897 | 42,111 |
| Total Support | 431,067 | | 431,067 | 462,346 |
| **Revenue** | | | | |
| Government Contracts | 1,760,839 | | 1,760,839 | 1,145,542 |
| Management Fees | 199,358 | | 199,358 | 687,573 |
| Developer Fees | 3,268,750 | | 3,268,750 | 1,837,584 |
| Property Sale Proceeds | 336,000 | | 336,000 | |
| Rental Revenue | 58,505 | | 58,505 | 50,355 |
| Special Events | | | | 4,050 |
| In-Kind Revenue | | | | |
| Interest Income | 57,266 | | 57,266 | 40,666 |
| Other Income | 34,068 | | 34,068 | 19,362 |
| Net Assets Released from Restriction | 82,207 | (82,207) | | |
| Total Revenue | 5,796,993 | (82,207) | 5,714,786 | 3,785,132 |
| **Total Support & Revenue** | 6,228,060 | (82,207) | 6,145,853 | 4,247,478 |
| **Operating Expenses** | | | | |
| Affordable Housing Program | 2,124,794 | | 2,124,794 | 2,050,579 |
| Management & General | 1,020,361 | | 1,020,361 | 812,565 |
| **Total Expenses** | 3,145,155 | | 3,145,155 | 2,863,144 |
| **Changes in Net Assets** | 3,082,905 | (82,207) | 3,000,698 | 1,384,334 |
| **Net Assets, Beginning of the Year** | 6,566,332 | 5,923,650 | 12,489,982 | 11,105,648 |
| **Prior Year Adjustment** | | | | |
| **Net Assets, End of the Year** | $ 9,649,237 | $ 5,841,443 | $ 15,490,680 | $ 12,489,982 |

*See accompanying notes.*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FUNCTIONAL EXPENSES**
**FOR THE YEAR ENDED DECEMBER 31, 2019**
**(With Summarized Totals for 2018)**

| | 2019 | | | |
|---|---|---|---|---|
| | Affordable Housing Program | Management & General | Total | 2018 Total |
| **Expenses** | | | | |
| Salaries & Wages | 1,109,495 | $ 544,063 | $ 1,653,558 | $ 1,597,742 |
| Payroll Taxes | 83,550 | 40,970 | 124,520 | 120,218 |
| Employee Benefits | 162,833 | 79,848 | 242,681 | 219,493 |
| Professional Services | 103,464 | 50,735 | 154,199 | 230,509 |
| Rent | 21,735 | 10,658 | 32,393 | 32,509 |
| Utilities | 14,728 | 7,222 | 21,950 | 18,768 |
| Dues & Subscriptions | 13,553 | 6,646 | 20,199 | 7,324 |
| Conference & Training | 17,624 | 8,642 | 26,266 | 23,217 |
| Travel & Meals | 29,541 | 14,486 | 44,027 | 37,801 |
| Office Expenses | 10,918 | 5,354 | 16,272 | 18,315 |
| Postage | 4,194 | 2,057 | 6,251 | 4,015 |
| Telephone | 22,158 | 10,865 | 33,023 | 28,890 |
| Insurance | 10,109 | 4,957 | 15,066 | 16,137 |
| Equipment, Maintenance & Repairs | 19,045 | 9,339 | 28,384 | 18,854 |
| Contract Service | 16,706 | 8,191 | 24,897 | 27,241 |
| Rental Property Expenses | 230,165 | | 230,165 | 189,974 |
| Supportive Services | 214,216 | 105,045 | 319,261 | 214,779 |
| Board Expenses | 7,672 | | 7,672 | 9,167 |
| Depreciation | | 31,963 | 31,963 | 25,741 |
| Amortization | | 181 | 181 | 181 |
| Interest Expenses | | 79,139 | 79,139 | 3,732 |
| Other Expenses | 33,088 | | 33,088 | 18,537 |
| **Total Expenses** | $ 2,124,794 | $ 1,020,361 | $ 3,145,155 | $ 2,863,144 |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED DECEMBER 31, 2019**
**(With Summarized Totals for 2018)**

| | 2019 | 2018 |
|---|---|---|
| **Cash Flows From Operating Activities:** | | |
| Changes in Net Assets | $ 3,000,698 | $ 1,384,334 |
| Adjustments to Reconcile Net Assets to Net Cash Provided (Used) by Operating Activities: | | |
| Depreciation & Amortization | 32,144 | 25,922 |
| *(Increases)/Decreases in Operating Assets* | | |
| Accounts Receivable | (19,790) | 219,309 |
| Notes Receivable | 97,631 | (8,036,631) |
| Deposits | (2,000) | |
| Prepaid Expenses | (8,345) | 1,406 |
| *Increases/(Decreases) in Liabilities* | | |
| Accounts Payable | (144,154) | (278,690) |
| Salaries Payable | 8,782 | 6,192 |
| Accrued Payables | 44,846 | (169,025) |
| Accrued Vacation | 8,477 | (498) |
| Accrued Interest | 85,178 | 47,704 |
| Recoverable Grants | (91,141) | 3,227,000 |
| Due from Affiliate | (2,771,285) | (1,504,350) |
| Deferred Program Revenue | (34,330) | (108,840) |
| Total Adjustment | (2,793,987) | (6,570,501) |
| Net Cash Provided (Used) by Operating Activities | 206,711 | (5,186,167) |
| **Cash Flows From Investing Activities:** | | |
| Purchases of Fixed Assets (Net) | (299,992) | (5,883) |
| Land Held for Development | (974,828) | |
| Construction In Progress/Predevelopment Costs | 443,400 | (683,765) |
| Net Cash Provided (Used) by Investing Activities | (831,420) | (689,648) |
| **Cash Flows From Financing Activities:** | | |
| Proceeds/(Repayment) from Issuance of Notes Payable | 1,779,788 | 250,677 |
| Net Cash Provided (Used) by Financing Activities | 1,779,788 | 250,677 |
| Net Increase (Decrease) in Cash | 1,155,079 | (5,625,138) |
| **Cash at the Beginning of the Year** | 4,323,295 | 9,948,433 |
| **Cash at the End of the Year** | $ 5,478,374 | $ 4,323,295 |
| Supplemental disclosure of cash flow information: | | |
| Cash paid for: | | |
| Interest Expenses | $ 79,139 | $ 3,732 |
| Taxes | $ | $ |

# COMMUNITY HOUSING DEVELOPMENT CORPORATION
# OF NORTH RICHMOND
# NOTES TO FINANCIAL STATEMENTS
# DECEMBER 31, 2019

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### General

Community Housing Development Corporation of North Richmond (CHDC) (the Organization), (a nonprofit organization), was formed to promote the general welfare and economic development of low income groups in Contra Costa, Alameda, Solano, San Francisco, Santa Cruz and Santa Clara Counties. CHDC accomplishes its objectives by constructing, rehabilitating, and providing decent, safe and sanitary housing for persons and families of low income who are in need of a suitable place to live.

### Basis of Accounting

The Organization's books are maintained, and the financial statements have been prepared, on the accrual basis of accounting, except developer fees and grants from foundations, which are recorded on the cash basis, when received.

### Contributions

Generally accepted accounting principles require the Organization to report information about its financial position and activities in three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Unrestricted contributions are recognized as an increase in unrestricted net assets when received. Donor restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the donor-imposed restriction. When restrictions are satisfied, either by the passage of time or by accomplishing the purpose, the temporarily restricted net assets released are reclassified to unrestricted net assets and reported in the activity statement as net assets released from restrictions.

When restrictions are satisfied in the same accounting period that the contribution is received, both the revenue and the related expense are reported in the unrestricted net asset class.

### Financial Statement Presentation

As required, the accompanying financial statements have been prepared to focus on the Organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by the classification of net assets and transactions into the following classes of assets:

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Financial Statement Presentation (Continued)

*Net Assets without Donor Restrictions* - Net assets not subject to donor-imposed stipulations.

*Net Assets with Donor Restrictions* - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time, or be maintained permanently by the Organization

The Organization uses net assets with donor restrictions in accordance with donor-imposed restrictions to support specific programs and associated administrative functions. Net assets without donor restrictions are used to support general programs and associated general and administrative functions.

### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with maturity within three months or less to be cash equivalents.

### Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, based on management estimates certain costs have been allocated among the programs and supporting services benefited.

### Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. The Organization capitalizes all significant additions and improvements in excess of $500. Property and equipment are being depreciated using the straight-line half-year convention over the estimated useful life of the asset, 30 years for building, 15-30 years for leasehold improvements and 3-5 years for furniture, office equipment and vehicles.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Property and Equipment (Continued)

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation is removed from the accounts and any resulting gain or loss is recognized in income for the period.

The cost of maintenance and repairs, which neither materially add to the value of the property, nor appreciably prolong its life are recorded as expenses as incurred.

For the fiscal year ending December 31, 2019 the organization incurred $31,963 in depreciation expense.

### Financing Costs

Financing costs associated with acquiring a long-term notes payable are being amortized on a straight-line basis over the life of the note, 30 years. Amortization expense for December 31, 2019 was $181 .

### Construction in Progress/ Predevelopment Costs

The Organization capitalizes all significant costs associated with designing, developing, and constructing its various low-income housing projects. Proceeds from the sale of constructed units are either recognized as revenue or are returned to grantors, if grant funds were used during the development of the project. Capitalized costs relative to projects which are later deemed to be infeasible are expensed in the year the project is abandoned.

### Income Taxes

The Organization is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code Section 23701 (d) of the California Revenue and Taxation Code. GAAP provides accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Organization's returns for years 2017 through 2019 are subject to examination by federal and state taxing authorities, generally for three years after they are filed.

### Fair Value of Financial Instruments

The carrying amounts of cash, cash equivalents, accounts receivable and other assets approximate fair values due to the short-term maturities of these assets.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Accounts Receivable

Accounts Receivable consist of amounts due from funding sources, as described in Note 3, and are considered by management to be fully collectible.

### Comparative Information

The financial statements include certain summarized comparative information from the prior year. This information is presented in total and not by net asset class and does not include sufficient detail to be in conformity with generally accepted accounting principles. Such information should be read together with the Organization's financial statements for the year ended December 31, 2018 from which the summarized information was extracted. Certain amounts in the prior year financial statements have been reclassified for comparison purposes to conform for the current year presentation.

## NOTE 2 - CASH AND CASH EQUIVALENTS

At December 31, 2019, cash and cash equivalents consisted of:

| | | |
|---|---|---|
| Cash – Unrestricted | $ | 3,558,910 |
| Cash – Restricted | | 1,919,464 |
| Total | $ | 5,478,374 |

At year ended December 31, 2019, the Organization cash balances were covered by the Federal Deposit Insurance Corporation (FDIC)

## NOTE 3 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures without donor restrictions or other restrictions limiting their use, within one year of December 31, 2019 are:

| | | |
|---|---|---|
| Financial Assets | | |
| Cash | $ | 5,478,374 |
| Accounts Receivable | | 142,920 |
| Due from Affiliates | | 4,749,478 |
| Total Financial Assets | | 10,370,772 |
| Less: Cash with Donor Restrictions | | (1,919,464) |
| Amount Available Within One Year | $ | 8,451,308 |

## NOTE 3 – LIQUIDITY AND AVAILABILITY(Continued)

The organization has policies to structure its financial assets to be available for general expenditures, liabilities, and other obligations come due. The organization policy is to maintain a cash-on-hand balance at a minimum of $2 million. This balance is maintained through collection of development fees the organization collections from projects. At the year ended December 31, 2019, the organization has cash for general expenditures to maintain expenses the organization will incur for over a year. The organization invests excess cash in savings accounts.

## NOTE 4 - ACCOUNTS RECEIVABLE

At December 31, 2019, accounts receivable consisted of:

| | | |
|---|---|---|
| Federal Contracts | $ | 80,493 |
| Other | | 62,427 |
| Total | $ | 142,920 |

## NOTE 5 - NOTES RECEIVABLE

Notes receivable consists of loans from the CalHome Program and NeighborhoodLIFT. The CalHome Program enables assistance for first-time homebuyer down payment. The program assists individual households through deferred payment loans. As of December 31, 2019, the outstanding balance was $1,773,779.

The Neighborhood LIFT program provides down payment assistance. As of December 31, 2019, the outstanding balance was $8,550,000.

## NOTE 6 – INVESTMENT IN AFFILIATES

At December 31, 2019, the Organization recorded an investment in Community First Lending of $236,763 reclassified from Due from Community First Lending account balance in 2014.

## NOTE 7 - PROPERTY AND EQUIPMENT

At December 31, 2019, property and equipment were as follows:

| | | |
|---|---|---|
| Land | $ | 146,441 |
| Building | | 725,274 |
| Equipment & Furniture | | 210,293 |
| Leasehold Improvements | | 106,932 |
| Total Fixed Assets | | 1,188,940 |
| Less Accumulated Depreciation | | (410,094) |
| Net Property & Equipment | $ | 778,846 |

## NOTE 8 – LAND/PROPERTY HELD FOR DEVELOPMENT

At December 31, 2019, land/property held for development was as follows:

| | | |
|---|---|---|
| Land (Acquired for Development) | $ | 2,713,851 |
| Property (Acquired for Development) | | 1,022,784 |
| Total | $ | 3,736,635 |

## NOTE 9 - CONSTRUCTION IN PROGRESS/PREDEVELOPMENT COSTS

At December 31, 2019, The Organization had accumulated capitalized costs of $5,328,634 representing costs relative to acquiring, designing and constructing low income housing units. Proceeds from the sale of constructed units are either recognized as revenue or returned to grantors, if recoverable grant funds were used to fund acquisition and/or construction or for the repayment of loans if loans proceeds were used.

## NOTE 10 - NOTES PAYABLE

At December 31, 2019, the Organization was obligated on the following notes:

| Creditor | Notes Detail | Outstanding Balance |
|---|---|---|
| City of Richmond as Successor Agency to Redevelopment Agency | Note payable for 1448-52 Filbert Street, Richmond, CA. 0% annual interest rate, payable upon sale of the securing property or the occurrence of an event of default, secured by deed of trust. | $ 195,078 |
| City of Richmond as Successor Agency to Redevelopment Agency | Four (4) notes for various projects, interest accrues at 3% simple interest per annum, principal and deferred interest payable at maturity, October 2056, secured by deed of trust. | $ 201,006 |
| City of Richmond | Note payable funded by HOME funds for the sum of $377,000, for Nevin Court, interest payable at 3%, maturing in November 2063. Note secured by deed of trust. | $ 365,292 |
| S.H. Cowell Foundation | Notes payable for a principal sum of $1,000,000 for 1243-1255 Filbert Street, 1234 Filbert Street and 1267 Willard Avenue, interest rate accrues at 2.5% per annum. The note is secured by a deed of trust, maturing October 31, 2022. | $ 1,000,000 |

NOTE 10 - NOTES PAYABLE(Continued)

| | | |
|---|---|---|
| City of Richmond | Note payable to finance predevelopment of 1267 Filbert Street. The note bears interest rate of 3% and is due September 30, 2065. | $ 1,099,593 |
| Contra Costa County as Successor Agency to Redevelopment Agency | Note Payable to finance the acquisition and rehabilitation of 1722-24 Fred Jackson Way. The note bears 0% interest rate. The note is secured by Deed of Trust and matures on December 31, 2019 | $ 214,178 |
| City of Oakland | Note payable for 1904 Adeline Street, interest payable at 3.0% per annum, maturing on February 7,2020 | $ 50,000 |
| City of Vallejo | Note Payable for 720-726 & 759 Sonoma Estates, interest payable at 3% per annum, maturing 5/22/2024 | $ 419,549 |
| NeighborWorks Salt Lake/AHMI Fund, LLC | Note payable – Capital loan fund, interest payable at 5.5% per annum, maturing 04/15/2024 | $ 2,000,000 |
| Total Notes Payable | | $ 5,544,696 |

The future annual maturities of long-term debts are as followed:

| | |
|---|---|
| 2020 | $ 264,168 |
| 2021 | |
| 2022 | 1,000,000 |
| 2023 | |
| 2024 | 2,419,549 |
| Thereafter | 1,860,979 |
| Total | $ 5,544,696 |

## NOTE 11 – NET ASSETS WITH DONOR RESTRICTION

At December 31, 2019, net assets with donor restrictions are as follow

| | | |
|---|---|---|
| CalHOME | $ | 2,245,148 |
| Neighborworks Capital | | 2,148,201 |
| Neighborworks Salt Lake | | 666,780 |
| Barrett Plaza | | 38,094 |
| Heritage Point A/G LP | | 265,000 |
| Ways to Work Program - Reserve | | 268,276 |
| LIFT Program | | 34,466 |
| AFI Program | | 72,383 |
| Contra Costa County | | 41,643 |
| IDA – Spring Board | | 16,682 |
| Others | | 44,770 |
| Total | $ | 5,841,443 |

## NOTE 12- RECOVERABLE GRANTS

The organization received Community Block Development Grant funds through Contra Costa County in the amount of $141,706 for the improvements of the Multi-Cultural Senior and Family Center in Richmond, California. The organization is required to repay Contra Costa County shall these funds be expended without meeting the requirements of the grantor. The amount of the grant recoverable is $52,191.

The organization received funds from NeighborWorks in the amount of $9,000,000 for the NeighborhoodLIFT program. The organization is required to repay NeighborWorks shall these funds be expended without meeting the requirements of the grantor. The amount of grant recoverable is $8,539,600.

## NOTE 13 - LEASE COMMITMENTS

As of December 31, 2019, the Organization incurred $15,972 in rental expenses. The Organization is leasing office spaces in Richmond, California. The Richmond office's lease expires on May 14, 2025. The following is a schedule of the future minimum lease payments under these operating leases:

| | | Office Space |
|---|---|---|
| 2020 | $ | 15,972 |
| 2021 | | 15,972 |
| 2022 | | 15,972 |
| 2023 | | 15,972 |
| 2024 | | 15,972 |
| Total | $ | 79,860 |

## NOTE 14 - RETIREMENT PLAN

The Organization sponsors a qualified 403(b) retirement plan for eligible employees who meet the plan's eligibility requirements. Eligible employees are those employees who have completed one year of employment and have reached age 21, or were employed on the effective date of the plan, January 1, 2004. Employees may contribute up to the maximum allowed by income tax regulations; the Organization matches one hundred percent of employee contributions up to a maximum of 2%. Organization contributions vest incrementally over four years, after the first year of service.
As of December 31, 2019, the organization paid $47,321 into this plan.

## NOTE 15 - SUBSEQUENT EVENTS

Management of the Organization has reviewed the results of operations for the period of time from its year end, December 31, 2019 through June 16, 2020, the date the financial statements were available to be issued and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

# SUPPLEMENTARY INFORMATION

## COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND
## STATEMENT OF FINANCIAL POSITION - NEIGHBORWORKS AMERICA CAPITAL FUND
## FOR THE YEAR ENDED DECEMBER 31, 2019

**ASSETS**

| | | |
|---|---|---|
| Cash | $ | 38,094 |
| Construction in Progress/Predevelopment Costs | | 2,110,107 |
| **Total Assets** | | 2,148,201 |

**LIABILITIES AND NET ASSETS**

| | | |
|---|---|---|
| Net Assets | | 2,148,201 |
| **Total Net Assets & Liabilities** | $ | 2,148,201 |

## COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND
## STATEMENT OF FINANCIAL POSITION - NEIGHBORWORKS AMERICA CAPITAL FUND
## FOR THE YEAR ENDED DECEMBER 31, 2019

| | | |
|---|---|---|
| **Revenues, Gains and Other Support:** | | |
| Capital Grant - Neighborhood Reinvestment | | |
| **Change in Net Assets** | | |
| **Net Assets - Beginning of the year** | | 2,148,201 |
| **Net Assets - End of the year** | $ | 2,148,201 |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF EXPENDITURES OF FEDERAL AWARDS**
**FOR THE YEAR ENDED DEECMBER 31, 2019**

| Federal Grantor/Pass Through Grantor/ Program Title | CFDA NUMBER | PASS THROUGH GRANT IDENTIFYING NUMBER | FEDERAL EXPENDITURES | LOAN BALANCES |
|---|---|---|---|---|
| U.S. Department of Housing and Urban Development | | | | |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant | 14.218 * | N/A | | $ 396,084 |
| Pass Through: Contra Costa County<br>Program: Community Development Block Grant | 14.218 * | N/A | $ 97,168 | 214,178 |
| Pass Through: City of Vallejo<br>Program: Community Development Block Grant | 14.218 * | N/A | 8,899 | |
| Sub-Total of Community Development Block Grant | | | 106,067 | 610,262 |
| Pass Through: Neighborworks America<br>Program: HUD Comprehensive Housing Counseling | 14.169 | N/A | 25,000 | |
| Sub-Total of HUD Comprehensive Housing Counseling | | | 131,067 | |
| U.S. Department of Housing and Urban Development | | | | |
| Pass Through: City of Richmond<br>Program: Home Investment Partnerships Program | 14.239 | N/A | | 365,292 |
| Pass Through: City of Vallejo<br>Program: Home Investment Partnerships Program | 14.239 | N/A | 34,235 | |
| Sub-Total of Home Investment Partnerships Program | | | 34,235 | 365,292 |
| U.S. Department of Housing and Urban Development | | | | |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant ARRA Entitlement Grant(CDBG-R) | 14.253 * | N/A | | 1,099,593 |
| Total U.S. Department of Housing and Urban Development | | | 165,302 | 2,075,147 |
| U.S. Department of Treasury<br>Program: NeighborWorks America | 21.000 | N/A | 492,960 | |
| Total U.S. Department of Treasury | | | 492,960 | |
| U.S. Department of Health and Human Services | | | | |
| Pass Through: Contra Costa County<br>Program: Senior Nutrition Program | 93.045 | N/A | 16,057 | |
| Total U.S. Department of Health and Human Services | | | 16,057 | |
| Total Federal Awards | | | $ 674,319 | $ 2,075,147 |

* Tested as a major program

## COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND
## NOTES TO STATEMENT OF EXPENDITURES OF FEDERAL AWARDS
## FOR THE YEAR ENDED DECEMBER 31, 2019

**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Housing Development of North Richmond and Affiliates under programs of the federal government for the year December 31, 2019 in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Community Housing Development of North Richmond and Affiliates, it is not intended to and does not present the financial position changes in net assets, or cash flows for Community Housing Development of North Richmond and Affiliates.

**2. Summary of Significant Accounting Policies**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.
Community Housing Development of North Richmond has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

**3. Housing Program Loans**

The Organization participates in housing programs where funds have been provided by U.S Department of Housing and Urban Development and U.S Department of Treasury as loans. Outstanding balance for these loans at December 31, 2019 are as followed.

| Federal Grantor/Pass Through Grantor/ Program Title | CFDA NUMBER | LOAN BALANCE 12/31/2018 | INCREASED/ (DECREASE) | LOAN BALANCE 12/31/2019 |
|---|---|---|---|---|
| U.S. Department of Housing and Urban Development | | | | |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant | 14.218 | $ 396,084 | | $ 396,084 |
| Pass Through: Contra Costa County<br>Program: Community Development Block Grant | 14.218 | 214,178 | | 214,178 |
| Pass Through: City of Richmond<br>Program: Home Investment Partnerships Program | 14.239 | 365,292 | | 365,292 |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant ARRA Entitlement Grant (CDBG-R) | 14.253 | 1,099,593 | | 1,099,593 |
| Total U.S. Department of Housing and Urban Development | | 2,075,147 | - | 2,075,147 |
| U.S. Department of Treasury<br>Program: NeighborWorks America | 21 000 | 500,677 | (500,677) | - |
| Total U.S. Department of Treasury | | 500,677 | (500,677) | - |
| Total Federal Loan Balance | | $ 2,575,824 | $ (500,677) | $ 2,075,147 |

GRANT & SMITH, LLP
*Certified Public Accountants*

# INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Housing Development Corporation of North Richmond (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 16, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Community Housing Development Corporation of North Richmond's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.


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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS (CONTINUED)*

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Housing Development Corporation of North Richmond's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Grant + Smith, LLP

Oakland, California
June 16, 2020

GRANT & SMITH, LLP
*Certified Public Accountants*

# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

## Report on Compliance for Each Major Federal Program

We have audited Community Housing Development Corporation of North Richmond's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Housing Development Corporation of North Richmond's major federal programs for the year ended December 31, 2019. Community Housing Development Corporation of North Richmond's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of Community Housing Development Corporation of North Richmond's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Housing Development Corporation of North Richmond's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Community Housing Development Corporation of North Richmond's compliance.


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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

### *Opinion on Each Major Federal Program*

In our opinion, Community Housing Development Corporation of North Richmond complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

### Report on Internal Control Over Compliance

Management of Community Housing Development Corporation of North Richmond is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Community Housing Development Corporation of North Richmond's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Grant + Smith, LLP

Oakland, California
June 16, 2020

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**YEAR ENDED DECEMBER 31, 2019**

## SECTION I – SUMMARY OF AUDITOR'S RESULTS

***Financial Statements***

| | |
|---|---|
| Type of auditor's report issued: | *Unmodified* |
| Internal control over financial reporting: | |
| • Material weaknesses identified? | None |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None |
| Noncompliance material to financial statements noted? | None |

***Federal Awards***

| | |
|---|---|
| Internal control over major program: | |
| • Material weaknesses identified? | None |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None |
| Type of auditors' report issued on compliance for major program: | *Unmodified* |
| Any audit findings disclosed that are required to be reported in Accordance with Uniform Grants Guidance? | No |

Identification of major program:

| *CFDA Number* | *Name of Federal Program* |
|---|---|
| 14.218 | CDBG |
| 14.253 | Community Development Block Grant - ARRA |

| | |
|---|---|
| Dollar threshold used to distinguish between type A and type B programs: | $750,000 |
| Auditee qualified as a low risk auditee? | No |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**
**YEAR ENDED DECEMBER 31, 2019**

## SECTION II - FINANCIAL STATEMENTS FINDINGS

No matters were reported.

## SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**STATUS OF CURRENT YEAR FINDINGS**
**DECEMBER 31, 2019**

None.

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**STATUS OF PRIOR YEAR FINDINGS**
**DECEMBER 31, 2019**

None.

# COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND

## AUDITED FINANCIAL STATEMENTS

## DECEMBER 31, 2018

GRANT & SMITH, LLP
Certified Public Accountants

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**

**AUDITED FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

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GRANT & SMITH, LLP
Certified Public Accountants

# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

## Report on the Financial Statements

We have audited the accompanying financial statements of Community Housing Development Corporation of North Richmond (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Housing Development Corporation of North Richmond as of December 31, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The statement of financial position – NeighborWorks are presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2018, on our consideration of Community Housing Development Corporation of North Richmond's internal control

over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Housing Development Corporation of North Richmond's internal control over financial reporting and compliance.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

**Report on Summarized Comparative Information**

We have previously audited Community Housing Development Corporation of North Richmond's 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 19, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Grant & Smith, LLP

Oakland, California
June 12, 2019

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FINANCIAL POSITION**
**AS OF DECEMBER 31, 2018**
**(With Summarized Totals for 2017)**

## ASSETS

| | 2018 | 2017 |
|---|---|---|
| **Current Assets** | | |
| Cash & Cash Equivalents | $ 4,323,294 | $ 9,948,434 |
| Accounts Receivable | 123,130 | 342,439 |
| Due from Affiliate | 1,978,194 | 473,844 |
| Deposits & Other Assets | 2,000 | 2,000 |
| Prepaid Expenses | 14,102 | 15,508 |
| Total Current Assets | 6,440,720 | 10,782,225 |
| **Non Current Assets** | | |
| Notes Receivable | 10,421,410 | 2,384,779 |
| Investment in Affiliates | 236,762 | 236,762 |
| **Fixed Assets** | | |
| Property & Equipment, Net | 510,817 | 530,674 |
| Land/Property Held for Development | 2,761,807 | 2,761,807 |
| Construction in Progress/Predevelopment Costs | 5,772,034 | 5,088,269 |
| Financing Costs Less Amortization | 1,702 | 1,882 |
| Total Fixed Assets | 9,046,360 | 8,382,632 |
| Total Non Current Assets | 19,704,532 | 11,004,173 |
| **Total Assets** | $ 26,145,252 | $ 21,786,398 |

## LIABILITIES & NET ASSETS

| | | |
|---|---|---|
| **Current Liabilities** | | |
| Accounts Payable | $ 276,441 | $ 555,131 |
| Salaries Payable | 31,286 | 25,094 |
| Accrued Expenses | 44,426 | 213,451 |
| Accrued Vacation | 49,346 | 49,844 |
| Deferred Program Revenue | 49,449 | 158,289 |
| Security Deposits | 1,000 | 1,000 |
| Notes Payable, Current Portion | 853,289 | 439,083 |
| Total Current Liabilities | 1,305,237 | 1,441,892 |
| **Long Term Liabilities** | | |
| Notes Payable | 3,764,908 | 3,514,231 |
| Less Notes Payable, Current Portion | (853,289) | (439,083) |
| Recoverable Grant | 8,682,932 | 5,455,932 |
| Accrued Interest Payable | 755,482 | 707,778 |
| Total Long Term Liabilities | 12,350,033 | 9,238,858 |
| Total Liabilities | 13,655,270 | 10,680,750 |
| **Net Assets** | | |
| Without Donor Restrictions | 6,566,332 | 7,101,325 |
| With Donor Restrictions | 5,923,650 | 4,004,323 |
| Total Net Assets | 12,489,982 | 11,105,648 |
| **Total Liabilities & Net Assets** | $ 26,145,252 | $ 21,786,398 |

*See accompanying notes.*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF ACTIVITIES**
**FOR THE YEAR ENDED DECEMBER 31, 2018**
**(With Summarized Totals for 2017)**

| | 2018 | | | 2017 |
|---|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total All Funds | Total All Funds |
| **Support & Revenue** | | | | |
| **Support** | | | | |
| Grants & Donations | $ 420,235 | | $ 420,235 | $ 65,900 |
| Contributions | 42,111 | | 42,111 | 3,095,252 |
| Total Support | 462,346 | | 462,346 | 3,161,152 |
| **Revenue** | | | | |
| Government Contracts | 1,070,542 | $ 75,000 | 1,145,542 | 937,986 |
| Management Fees | 687,573 | | 687,573 | 436,472 |
| Developer Fees | 1,837,584 | | 1,837,584 | 1,047,000 |
| Property Sale Proceeds | | | - | 623,476 |
| Rental Revenue | 50,355 | | 50,355 | 25,337 |
| Special Events | 4,050 | | 4,050 | |
| In-Kind Revenue | | | | 163,200 |
| Interest Income | 40,666 | | 40,666 | 15,227 |
| Other Income | 19,362 | | 19,362 | 25,287 |
| Net Assets Released from Restriction | 29,712 | (29,712) | | |
| Total Revenue | 3,739,844 | 45,288 | 3,785,132 | 3,273,985 |
| **Total Support & Revenue** | 4,202,190 | | 4,247,478 | 6,435,137 |
| **Operating Expenses** | | | | |
| Affordable Housing Program | 2,050,579 | | 2,050,579 | 1,968,658 |
| Management & General | 812,565 | | 812,565 | 551,157 |
| **Total Expenses** | 2,863,144 | | 2,863,144 | 2,519,815 |
| **Changes in Net Assets** | 1,339,046 | 45,288 | 1,384,334 | 3,915,322 |
| **Net Assets, Beginning of the Year** | 7,101,325 | 4,004,323 | 11,105,648 | 7,262,348 |
| **Prior Year Adjustment** | (1,874,039) | 1,874,039 | | (72,022) |
| **Net Assets, End of the Year** | $ 6,566,332 | $ 5,923,650 | $ 12,489,982 | $ 11,105,648 |

*See accompanying notes.*

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FUNCTIONAL EXPENSES**
**FOR THE YEAR ENDED DECEMBER 31, 2018**
**(With Summarized Totals for 2017)**

| | 2018 | | | |
|---|---|---|---|---|
| | Affordable Housing Program | Management & General | Total | 2017 Total |
| **Expenses** | | | | |
| Salaries & Wages | $ 1,119,539 | $ 478,203 | $ 1,597,742 | $ 1,170,974 |
| Payroll Taxes | 84,237 | 35,981 | 120,218 | 90,161 |
| Employee Benefits | 153,799 | 65,694 | 219,493 | 207,136 |
| Professional Services | 161,518 | 68,991 | 230,509 | 131,432 |
| Rent | 22,779 | 9,730 | 32,509 | 23,720 |
| Utilities | 13,151 | 5,617 | 18,768 | 12,187 |
| Dues & Subscriptions | 5,132 | 2,192 | 7,324 | 15,635 |
| Conference & Training | 16,268 | 6,949 | 23,217 | 22,472 |
| Travel & Meals | 26,487 | 11,314 | 37,801 | 26,630 |
| Office Expenses | 12,833 | 5,482 | 18,315 | 18,469 |
| Postage | 2,813 | 1,202 | 4,015 | 4,191 |
| Telephone | 20,243 | 8,647 | 28,890 | 24,652 |
| Insurance | 11,307 | 4,830 | 16,137 | 11,459 |
| Equipment, Maintenance & Repairs | 13,211 | 5,643 | 18,854 | 21,105 |
| Contract Service | 19,088 | 8,153 | 27,241 | 35,013 |
| Rental Property Expenses | 189,974 | | 189,974 | 465,393 |
| Supportive Services | 150,496 | 64,283 | 214,779 | 121,028 |
| Board Expenses | 9,167 | | 9,167 | 2,976 |
| Depreciation | | 25,741 | 25,741 | 24,228 |
| Amortization | | 181 | 181 | 181 |
| Interest Expenses | | 3,732 | 3,732 | 4,435 |
| Other Expenses | 18,537 | | 18,537 | 86,338 |
| **Total Expenses** | $ 2,050,579 | $ 812,565 | $ 2,863,144 | $ 2,519,815 |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED DECEMBER 31, 2018**
**(With Summarized Totals for 2017)**

| | 2018 | 2017 |
|---|---|---|
| **Cash Flows From Operating Activities:** | | |
| Changes in Net Assets | $ 1,384,334 | $ 3,915,322 |
| Adjustments to Reconcile Net Assets to | | |
| Net Cash Provided (Used) by Operating Activities: | | |
| Depreciation & Amortization | 25,922 | 24,409 |
| Prior Period Adjustment | | (72,022) |
| *(Increases)/Decreases in Operating Assets* | | |
| Accounts Receivable | 219,309 | (177,725) |
| Notes Receivable | (8,036,631) | (734,957) |
| Prepaid Expenses | 1,406 | (398) |
| *Increases/(Decreases) in Liabilities* | | |
| Accounts Payable | (278,690) | 462,466 |
| Salaries Payable | 6,192 | 8,355 |
| Accrued Payables | (169,025) | 176,927 |
| Accrued Vacation | (498) | 11,993 |
| Accrued Interest | 47,704 | 20,291 |
| Recoverable Grants | 3,227,000 | 5,394,187 |
| Due from Affiliate | (1,504,350) | (473,844) |
| Line of Credit | | (100,000) |
| Deferred Program Revenue | (108,840) | 152,240 |
| Total Adjustment | (6,570,501) | 4,691,922 |
| Net Cash Provided (Used) by Operating Activities | (5,186,167) | 8,607,244 |
| **Cash Flows From Investing Activities:** | | |
| Investment in Affiliates | | |
| Purchases of Fixed Assets (Net) | (5,883) | (7,900) |
| Land Held for Development | - | 280,610 |
| Construction In Progress/Predevelopment Costs | (683,765) | 1,176,824 |
| Net Cash Provided (Used) by Investing Activities | (689,648) | 1,449,534 |
| **Cash Flows From Financing Activities:** | | |
| Proceeds/(Repayment) from Issuance of Notes Payable | 250,677 | (1,159,755) |
| Net Cash Provided (Used) by Financing Activities | 250,677 | (1,159,755) |
| Net Increase (Decrease) in Cash | (5,625,138) | 8,897,023 |
| **Cash at the Beginning of the Year** | 9,948,433 | 1,051,410 |
| **Cash at the End of the Year** | $ 4,323,294 | $ 9,948,433 |
| Supplemental disclosure of cash flow information: | | |
| Cash paid for: | | |
| Interest Expenses | $ 3,732 | $ 4,435 |
| Taxes | $ | $ |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**NOTES TO FINANCIAL STATEMENTS**
**DECEMBER 31, 2018**

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### General

Community Housing Development Corporation of North Richmond (CHDC) (the Organization), (a nonprofit organization), was formed to promote the general welfare and economic development of low income groups in Contra Costa, Alameda, Solano, San Francisco, Santa Cruz and Santa Clara Counties. CHDC accomplishes its objectives by constructing, rehabilitating, and providing decent, safe and sanitary housing for persons and families of low income who are in need of a suitable place to live.

### Basis of Accounting

The Organization's books are maintained, and the financial statements have been prepared, on the accrual basis of accounting, except developer fees and grants from foundations, which are recorded on the cash basis, when received.

### Contributions

Generally accepted accounting principles require the Organization to report information about its financial position and activities in three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Unrestricted contributions are recognized as an increase in unrestricted net assets when received. Donor restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the donor-imposed restriction. When restrictions are satisfied, either by the passage of time or by accomplishing the purpose, the temporarily restricted net assets released are reclassified to unrestricted net assets and reported in the activity statement as net assets released from restrictions.

When restrictions are satisfied in the same accounting period that the contribution is received, both the revenue and the related expense are reported in the unrestricted net asset class.

### Financial Statement Presentation

As required, the accompanying financial statements have been prepared to focus on the Organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by the classification of net assets and transactions into the following classes of assets:

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Financial Statement Presentation (Continued)

*Net Assets without Donor Restrictions* - Net assets not subject to donor-imposed stipulations.

*Net Assets with Donor Restrictions* - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time, or be maintained permanently by the Organization

The Organization uses net assets with donor restrictions in accordance with donor-imposed restrictions to support specific programs and associated administrative functions. Net assets without donor restrictions are used to support general programs and associated general and administrative functions.

### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with maturity within three months or less to be cash equivalents.

### Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, based on management estimates certain costs have been allocated among the programs and supporting services benefited.

### Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. The Organization capitalizes all significant additions and improvements in excess of $500. Property and equipment are being depreciated using the straight-line half-year convention over the estimated useful life of the asset, 30 years for building, 15-30 years for leasehold improvements and 3-5 years for furniture, office equipment and vehicles.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment (Continued)

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation is removed from the accounts and any resulting gain or loss is recognized in income for the period.

The cost of maintenance and repairs, which neither materially add to the value of the property, nor appreciably prolong its life are recorded as expenses as incurred.

For the fiscal year ending December 31, 2018 the organization incurred $25,741 in depreciation expense.

Financing Costs

Financing costs associated with acquiring a long-term notes payable are being amortized on a straight-line basis over the life of the note, 30 years. Amortization expense for December 31, 2018 was $181 .

Construction in Progress/ Predevelopment Costs

The Organization capitalizes all significant costs associated with designing, developing, and constructing its various low-income housing projects. Proceeds from the sale of constructed units are either recognized as revenue or are returned to grantors, if grant funds were used during the development of the project. Capitalized costs relative to projects which are later deemed to be infeasible are expensed in the year the project is abandoned.

Income Taxes

The Organization is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code Section 23701 (d) of the California Revenue and Taxation Code. GAAP provides accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Organization's returns for years 2016 through 2018 are subject to examination by federal and state taxing authorities, generally for three years after they are filed.

Fair Value of Financial Instruments

The carrying amounts of cash, cash equivalents, accounts receivable and other assets approximate fair values due to the short-term maturities of these assets.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Accounts Receivable

Accounts Receivable consist of amounts due from funding sources, as described in Note 3, and are considered by management to be fully collectible.

### Comparative Information

The financial statements include certain summarized comparative information from the prior year. This information is presented in total and not by net asset class and does not include sufficient detail to be in conformity with generally accepted accounting principles. Such information should be read together with the Organization's financial statements for the year ended December 31, 2017 from which the summarized information was extracted. Certain amounts in the prior year financial statements have been reclassified for comparison purposes to conform for the current year presentation.

## NOTE 2 - CASH AND CASH EQUIVALENTS

At December 31, 2018, cash and cash equivalents consisted of:

| | | |
|---|---|---|
| Cash – Unrestricted | $ | 2,315,004 |
| Cash – Restricted | | 2,008,290 |
| Total | $ | 4,323,294 |

At year ended December 31, 2018, the Organization cash balances were covered by the Federal Deposit Insurance Corporation (FDIC)

## NOTE 3 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures without donor restrictions or other restrictions limiting their use, within one year of December 31, 2018 are:

| | | |
|---|---|---|
| Financial Assets | | |
| Cash | $ | 4,323,294 |
| Accounts Receivable | | 123,130 |
| Due from Affiliates | | 1,978,194 |
| Total Financial Assets | | 6,424,618 |
| Less: Cash with Donor Restrictions | | (2,008,290) |
| Amount Available Within One Year | $ | 4,416,628 |

## NOTE 3 – LIQUIDITY AND AVAILABILITY(Continued)

The organization has policies to structure its financial assets to be available for general expenditures, liabilities, and other obligations come due. The organization policy is to maintain a cash-on-hand balance at a minimum of $2 million. This balance is maintained through collection of development fees the organization collections from projects. At the year ended December 31, 2018, the organization has cash for general expenditures to maintain expenses the organization will incur for over a year. The organization invests excess cash in savings accounts.

## NOTE 4 - ACCOUNTS RECEIVABLE

At December 31, 2018, accounts receivable consisted of:

| | | |
|---|---|---|
| Federal Contracts | $ | 94,508 |
| Other | | 28,622 |
| Total | $ | 123,130 |

## NOTE 5 - NOTES RECEIVABLE

Notes receivable consists of loans from the CalHome Program and NeighborhoodLIFT. The CalHome Program enables assistance for first-time homebuyer down payment. The program assists individual households through deferred payment loans. As of December 31, 2018, the outstanding balance was $1,901,410.

The Neighborhood LIFT program provides down payment assistance. As of December 31, 2018, the outstanding balance was $8,520,000.

## NOTE 6 – INVESTMENT IN AFFILIATES

At December 31, 2018, the Organization recorded an investment in Community First Lending of $236,763 reclassified from Due from Community First Lending account balance in 2014.

## NOTE 7 - PROPERTY AND EQUIPMENT

At December 31, 2018, property and equipment were as follows:

| | | |
|---|---|---|
| Land | $ | 146,441 |
| Building | | 434,764 |
| Equipment & Furniture | | 200,811 |
| Leasehold Improvements | | 106,932 |
| Total Fixed Assets | | 888,948 |
| Less Accumulated Depreciation | | (378,131) |
| Net Property & Equipment | $ | 510,817 |

## NOTE 8 – LAND/PROPERTY HELD FOR DEVELOPMENT

At December 31, 2018, land/property held for development was as follows:

| | | |
|---|---|---|
| Land (Acquired for Development) | $ | 2,713,851 |
| Property (Acquired for Development) | | 47,956 |
| Total | $ | 2,761,807 |

## NOTE 9 - CONSTRUCTION IN PROGRESS/PREDEVELOPMENT COSTS

At December 31, 2018, The Organization had accumulated capitalized costs of $5,772,034 representing costs relative to acquiring, designing and constructing low income housing units. Proceeds from the sale of constructed units are either recognized as revenue or returned to grantors, if recoverable grant funds were used to fund acquisition and/or construction or for the repayment of loans if loans proceeds were used.

## NOTE 10 - NOTES PAYABLE

At December 31, 2018, the Organization was obligated on the following notes:

| Creditor | Notes Detail | Outstanding Balance |
|---|---|---|
| City of Richmond as Successor Agency to Redevelopment Agency | Note payable for 1448-52 Filbert Street, Richmond, CA. 0% annual interest rate, payable upon sale of the securing property or the occurrence of an event of default, secured by deed of trust. | $ 195,078 |
| City of Richmond as Successor Agency to Redevelopment Agency | Four (4) notes for various projects, interest accrues at 3% simple interest per annum, principal and deferred interest payable at maturity, October 2056, secured by deed of trust. | $ 201,006 |
| City of Richmond | Note payable funded by HOME funds for the sum of $377,000, for Nevin Court, interest payable at 3%, maturing in November 2063. Note secured by deed of trust. | $ 365,292 |
| S.H. Cowell Foundation | Notes payable for a principal sum of $1,000,000 for 1243-1255 Filbert Street, 1234 Filbert Street and 1267 Willard Avenue, interest rate accrues at 2.5% per annum. The note is secured by a deed of trust, maturing October 31, 2022. | $ 1,000,000 |

NOTE 10 - NOTES PAYABLE(Continued)

| | | |
|---|---|---|
| NeighborWorks Capital | Note payable for Barrett Terrace redevelopment, interest payable at 4.5% per annum, maturing on June 30, 2019, secured by a deed of trust. | $ 300,000 |
| City of Richmond | Note payable to finance predevelopment of 1267 Filbert Street. The note bears interest rate of 3% and is due September 30, 2065. | $ 1,099,593 |
| Contra Costa County as Successor Agency to Redevelopment Agency | Note Payable to finance the acquisition and rehabilitation of 1722-24 Fred Jackson Way. The note bears 0% interest rate. The note is secured by Deed of Trust and matures on December 31, 2019 | $ 214,178 |
| Local Initiative Support Corporation | Note payable for Barrett Terrance and Barrett Plaza redevelopment, interest payable at 6.0% per annum, maturing on November 1, 2019 | $ 139,084 |
| City of Oakland | Note payable for 1904 Adeline Street, interest payable at 3.0% per annum, maturing on February 7,2020 | $ 50,000 |
| Neighborworks Capital | Note payable for capital improvements, interest payable at 5.5% per annum, maturing on September 1, 2019 | $ 200,027 |
| Total Notes Payable | | $ 3,764,258 |

The future annual maturities of long-term debts are as followed:

| | |
|---|---|
| 2019 | $ 853,289 |
| 2020 | 50,000 |
| 2021 | |
| 2022 | 1,000,000 |
| 2023 | |
| Thereafter | 1,860,969 |
| Total | $ 3,764,258 |

## NOTE 11 – NET ASSETS WITH DONOR RESTRICTION

At December 31, 2018, net assets with donor restrictions are as follow

| | | |
|---|---|---|
| CalHOME | $ | 2,160,884 |
| Neighborworks Capital | | 2,148,201 |
| Barrett Plaza | | 1,001,239 |
| Heritage Point A/G LP | | 265,000 |
| Ways to Work Program - Reserve | | 141,074 |
| LIFT Program | | 76,608 |
| AFI Program | | 72,383 |
| Contra Costa County | | 41,579 |
| IDA – Spring Board | | 16,682 |
| Total | $ | 5,923,650 |

## NOTE 12- RECOVERABLE GRANTS

The organization received Community Block Development Grant funds through Contra Costa County in the amount of $141,706 for the improvements of the Multi-Cultural Senior and Family Center in Richmond, California. The organization is required to repay Contra Costa County shall these funds be expended without meeting the requirements of the grantor. The amount of the grant recoverable is $80,532.

The organization received funds from NeighborWorks in the amount of $9,000,000 for the NeighborhoodLIFT program. The organization is required to repay NeighborWorks shall these funds be expended without meeting the requirements of the grantor. The amount of grant recoverable is $8,602,400.

## NOTE 13 - LEASE COMMITMENTS

As of December 31, 2018, the Organization incurred $15,972 in rental expenses. The Organization is leasing office spaces in Richmond, California. The Richmond office's lease expires on May 14, 2025. The following is a schedule of the future minimum lease payments under these operating leases:

| | Office Space | |
|---|---|---|
| 2019 | $ | 15,972 |
| 2020 | | 15,972 |
| 2021 | | 15,972 |
| 2022 | | 15,972 |
| 2023 | | 15,972 |
| Total | $ | 79,860 |

## NOTE 14 - RETIREMENT PLAN

The Organization sponsors a qualified 403(b) retirement plan for eligible employees who meet the plan's eligibility requirements. Eligible employees are those employees who have completed one year of employment and have reached age 21, or were employed on the effective date of the plan, January 1, 2004. Employees may contribute up to the maximum allowed by income tax regulations; the Organization matches one hundred percent of employee contributions up to a maximum of 2%. Organization contributions vest incrementally over four years, after the first year of service.
As of December 31, 2018, the organization paid $32,594 into this plan.

## NOTE 15 – PRIOR PERIOD ADJUSTMENTS

The organization reclassified cash balances received from prior periods, in the amount of $1,874,039, from net assets without donor restrictions to net assets with donor restrictions. The net effect of the correct has no change to net assets as whole.

## NOTE 16 - SUBSEQUENT EVENTS

Management of the Organization has reviewed the results of operations for the period of time from its year end, December 31, 2018 through June 12, 2019, the date the financial statements were available to be issued and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

# SUPPLEMENTARY INFORMATION

**COMMUNITY HOUSING DEVELOPMENT**
**CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FINANCIAL POSITION - NEIGHBORWORKS AMERICA**
**CAPITAL FUND**
**FOR THE YEAR ENDED DECEMBER 31, 2018**

**ASSETS**

| | | |
|---|---|---|
| Cash | $ | 134,251 |
| Construction in Progress/Predevelopment Costs | | 2,013,950 |
| **Total Assets** | | 2,148,201 |

**LIABILITIES AND NET ASSETS**

| | | |
|---|---|---|
| Net Assets | | 2,148,201 |
| **Total Net Assets & Liabilities** | $ | 2,148,201 |

**COMMUNITY HOUSING DEVELOPMENT**
**CORPORATION OF NORTH RICHMOND**
**STATEMENT OF FINANCIAL POSITION - NEIGHBORWORKS AMERICA**
**CAPITAL FUND**
**FOR THE YEAR ENDED DECEMBER 31, 2018**

**Revenues, Gains and Other Support:**

| | | |
|---|---|---|
| Capital Grant - Neighborhood Reinvestment | $ | 75,000 |
| **Change in Net Assets** | | 75,000 |
| **Net Assets - Beginning of the year** | | 2,073,201 |
| **Net Assets - End of the year** | $ | 2,148,201 |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND**
**STATEMENT OF EXPENDITURES OF FEDERAL AWARDS**
**FOR THE YEAR ENDED DEECMBER 31, 2018**

| Federal Grantor/Pass Through Grantor/ Program Title | CFDA NUMBER | PASS THROUGH GRANT IDENTIFYING NUMBER | FEDERAL EXPENDITURES | LOAN BALANCES |
|---|---|---|---|---|
| U S Department of Housing and Urban Development | | | | |
| Pass Through City of Richmond | | | | |
| Program Community Development Block Grant | 14 218 | N/A | | $ 396,084 |
| Pass Through Contra Costa County | | | | |
| Program Community Development Block Grant | 14 218 | N/A | $ 106,825 | 214,178 |
| Pass Through City of Vallejo | | | | |
| Program Community Development Block Grant | 14 218 | N/A | 4,641 | |
| Sub-Total of Community Development Block Grant | | | 111,466 | 610,262 |
| Pass Through Neighborworks America | | | | |
| Program HUD Comprehensive Housing Counseling | 14 169 | N/A | 13,500 | |
| Sub-Total of HUD Comprehensive Housing Counseling | | | 124,966 | |
| U S Department of Housing and Urban Development | | | | |
| Pass Through City of Richmond | | | | |
| Program Home Investment Partnerships Program | 14 239 | N/A | 169,553 | 365,292 |
| Pass Through City of Vallejo | | | | |
| Program Home Investment Partnerships Program | 14 239 | N/A | | |
| Sub-Total of Home Investment Partnerships Program | | | 169,553 | 365,292 |
| U S Department of Housing and Urban Development | | | | |
| Pass Through Local Initiative Support Corporation | | | | |
| Program Capacity Building for Community Development and Affordable Housing | 14 252 | N/A | 20,329 | |
| Sub-Total of Capacity Building for Community Development and Affordable Housing | | | 20,329 | |
| U S Department of Housing and Urban Development | | | | |
| Pass Through City of Richmond | | | | |
| Program Community Development Block Grant ARRA Entitlement Grant(CDBG-R) | 14 253 * | N/A | | 1,099,593 |
| Total U S Department of Housing and Urban Development | | | $ 314,848 | $ 2,075,147 |
| U S Department of Treasury | | | | |
| Program NeighborWorks America | 21 000 * | N/A | 269,755 | 500,677 |
| U S Department of Treasury | | | | |
| Pass Through Rural Community Assistance Corporation | | | | |
| Program Keep Your Home California | 21 010 | N/A | 1,600 | |
| Total U S Department of Treasury | | | $ 271,355 | $ 500,677 |
| U S Department of Health and Human Services | | | | |
| Pass Through Contra Costa County | | | | |
| Program Senior Nutrition Program | 93 045 | N/A | 11,266 | |
| Total U S Department of Health and Human Services | | | $ 11,266 | |
| Total Federal Awards | | | $ 597,469 | $ 2,575,824 |

* Tested as a major program

## COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND
## NOTES TO STATEMENT OF EXPENDITURES OF FEDERAL AWARDS
## FOR THE YEAR ENDED DECEMBER 31, 2018

**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Housing Development of North Richmond and Affiliates under programs of the federal government for the year December 31, 2018 in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Community Housing Development of North Richmond and Affiliates, it is not intended to and does not present the financial position changes in net assets, or cash flows for Community Housing Development of North Richmond and Affiliates.

**2. Summary of Significant Accounting Policies**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.
Community Housing Development of North Richmond has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

**3. Housing Program Loans**

The Organization participates in housing programs where funds have been provided by U.S Department of Housing and Urban Development and U.S Department of Treasury as loans. Outstanding balance for these loans at December 31, 2018 are as followed

| Federal Grantor/Pass Through Grantor/ Program Title | CFDA NUMBER | LOAN BALANCE 12/31/2017 | INCREASED/ (DECREASE) | LOAN BALANCE 12/31/2018 |
|---|---|---|---|---|
| U.S. Department of Housing and Urban Development | | | | |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant | 14.218 | $ 396,084 | | $ 396,084 |
| Pass Through: Contra Costa County<br>Program: Community Development Block Grant | 14.218 | 214,178 | | 214,178 |
| Pass Through: City of Richmond<br>Program: Home Investment Partnerships Program | 14.239 | 365,292 | | 365,292 |
| Pass Through: City of Richmond<br>Program: Community Development Block Grant ARRA Entitlement Grant (CDBG-R) | 14.253 | 1,099,593 | | 1,099,593 |
| Total U.S. Department of Housing and Urban Development | | 2,075,147 | - | 2,075,147 |
| U.S. Department of Treasury<br>Program: NeighborWorks America | 21.000 | 300,000 | 200,677 | 500,677 |
| Total U.S. Department of Treasury | | 300,000 | 200,677 | 500,677 |
| Total Federal Loan Balance | | $ 2,375,147 | $ 200,677 | $ 2,575,824 |

GRANT & SMITH, LLP
*Certified Public Accountants*

# INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Housing Development Corporation of North Richmond (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 12,2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Community Housing Development Corporation of North Richmond's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS (CONTINUED)*

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Housing Development Corporation of North Richmond's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Grant & Smith, LLP

Oakland, California
June 12, 2019

GRANT & SMITH, LLP
Certified Public Accountants

# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Community Housing Development Corporation
of North Richmond
Richmond, California

## Report on Compliance for Each Major Federal Program

We have audited Community Housing Development Corporation of North Richmond's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Housing Development Corporation of North Richmond's major federal programs for the year ended December 31, 2018. Community Housing Development Corporation of North Richmond's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of Community Housing Development Corporation of North Richmond's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Housing Development Corporation of North Richmond's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Community Housing Development Corporation of North Richmond's compliance.



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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

***Opinion on Each Major Federal Program***

In our opinion, Community Housing Development Corporation of North Richmond complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018.

**Report on Internal Control Over Compliance**

Management of Community Housing Development Corporation of North Richmond is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Community Housing Development Corporation of North Richmond's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Community Housing Development Corporation of North Richmond's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Grant & Smith, LLP

Oakland, California
June 12, 2019

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**YEAR ENDED DECEMBER 31, 2018**

## SECTION I – SUMMARY OF AUDITOR'S RESULTS

***Financial Statements***

| | |
|---|---|
| Type of auditor's report issued: | *Unmodified* |
| Internal control over financial reporting: | |
| • Material weaknesses identified? | None |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None |
| Noncompliance material to financial statements noted? | None |

***Federal Awards***

| | |
|---|---|
| Internal control over major program: | |
| • Material weaknesses identified? | None |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None |
| Type of auditors' report issued on compliance for major program: | *Unmodified* |
| Any audit findings disclosed that are required to be reported in Accordance with Uniform Grants Guidance? | No |

Identification of major program:

| *CFDA Number* | *Name of Federal Program* |
|---|---|
| 21.000 | Neighborworks America |
| 14.253 | Community Development Block Grant - ARRA |

| | |
|---|---|
| Dollar threshold used to distinguish between type A and type B programs: | $750,000 |
| Auditee qualified as a low risk auditee? | No |

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**
**YEAR ENDED DECEMBER 31, 2018**

## SECTION II - FINANCIAL STATEMENTS FINDINGS

No matters were reported.

## SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**STATUS OF CURRENT YEAR FINDINGS**
**DECEMBER 31, 2018**

None.

**COMMUNITY HOUSING DEVELOPMENT CORPORATION**
**OF NORTH RICHMOND**
**STATUS OF PRIOR YEAR FINDINGS**
**DECEMBER 31, 2018**

None.

Community Housing Development Corporation
(A nonprofit organization)

# ACCOUNTING POLICY MANUAL

## INTRODUCTION

It is the policy of the Board of Directors that the Organization shall be fiscally managed in accordance with policies which are approved by the Board of Directors and implemented through procedures and directives issued by the Executive Director or Deputy Director. Furthermore, approved fiscal policies are to be contained in an Accounting Policy Manual, to be used as a reference for compliance with policy and for consistency of management decisions.

## RESPONSIBILITIES:

1. Implementation: Executive Director or Deputy Director.

2. Upkeep of Manual: CFO and Controller.

## POLICY ON FORMULATION OF BOARD POLICIES

It is the policy of the Organization that policy is established and approved by the Board of Directors. Policy is comparable to law; procedures are comparable to administrative rules. As such, the Board of Directors passes policy and the Executive Director establishes procedures. The purpose for this policy is to clarify the division of responsibilities in the process of developing Board policies.

## PROCESS:

1. The need for policy in an area may be brought to the attention of the Board by any member of the Board or by the Executive Director; Deputy Director; CFO, or directly from an outside party such as an auditor, representative of a funding source, attorney, etc.

2. The wording for policies may be proposed and developed by staff, by an individual member of the Board, or by a committee effort.

3. All policies must be approved at a committee level even if proposed by a non-committee member. The proposed policy should be routed to the committee which normally deals with its subject matter; if a proposed policy does not clearly fall within the jurisdiction of an established committee, it will be routed to the Executive Committee for study or a Finance Committee or Audit Committee shall be established by the President.

Policies should be analyzed in terms of benefits to the Organization, modified as necessary, and voted on for approval or rejection by the committee.

4. When a policy has received approval at the committee level, the committee has the option of deciding whether the policy requires full Board approval, or whether it may stand with approval of the committee only.

**SUBJECT: ORGANIZATION OPERATING BUDGET - POLICY**

It is the policy of the Organization that a Preliminary Summary Operating Budget be prepared at least 90 days prior to the commencement of each fiscal year, based on the most current information available and updated periodically, whenever projected changes in Revenues and/or Expenditures warrant, and at least as often as required by applicable funding sources. All Organization Operating Budgets must be approved by the Board of Directors. The format and content of such budgets are to be established by the Executive Committee of the Board of Directors.

It is also the policy of the Board of Directors that a deficit Budget cannot be approved. A deficit budget is defined as a budget in which the projected revenues are less than the projected expenditures, after adjustments for non-cash items.

PROCESS:

After the review of the budget with the organization's Executive Director and Deputy Director it shall be submitted to the Executive Committee such Operating Budgets as required and shall provide whatever additional information is needed for the Committee to make informed decisions.

As for the extent that such budgets impact on other Board committee responsibilities, it shall be the responsibility of the Chairperson of the Executive Committee to hold joint meetings with such other committees to obtain consensus.

The Executive Committee shall present such budgets, with recommendations, to the full Board for approval.

**SUBJECT: PREPARATION OF BUDGETS**

Procedure:

Periodically, the CFO and Controller may require department heads to submit operating budgets due to requirements of the Organization or outside interests.

**PROCESS:**

1. Instructions will be issued along with all the forms necessary to complete the budgets.

**SUBJECT: BUDGETARY CONTROLS - ORGANIZATION WIDE**

**GENERAL**

While the Executive Director has overall responsibility for the Organization's operating budget, the responsibility to develop monitoring systems and to report on variances has been delegated to the CFO and Controller.

**PROCEDURE**

The CFO or Controller has developed the following reports to monitor the budgetary performance of the Organization and to report on variances on a monthly basis.

1. Income Comparison Report: This report contains an analysis of each item of Revenue showing the Annual Budgeted Revenue, the year-to-date Budgeted Revenue, the year-to-date Actual Revenue, All variances of 10% or more shall be analyzed in a written narrative monthly

2. Expenditure Comparison Report (Department Totals): This report summarizes the totals by Department showing the Departments Annual Budget, the Departments year-to-date Actual Expenditures.

3. Expenditure Comparison Report (By Category): This report contains the major categories of line item expenses and shows Annual Budget, year-to-date Budgeted Expenditures, year-to-date Actual Expenditures.

All variances of 10% or more shall be analyzed in a written narrative and published by the Wednesday after the 2nd full week following month end.

4. Cash Flow Report: This report contains the actual cash received for the month and year-to-date. Also, the report shows the beginning and ending cash balances.

The Agency (CHDC) reports are issued to the Executive Committee for approval, and are submitted to the full Board on a monthly basis.

5. Quarterly Expenditure Reports and Analysis: The Organization's expenditures are compiled according to City, County or Federal (Lender) funding sources and analyzed to determine that the Organization is complying with expenditure requirements including match to justify the contracts.

These reports are due 30 days after the quarter and are summarized for submission to appropriate Lender after review and approval of the Executive Director.

6. Year-End Income and Expenditure Report: This report summarizes the financial operations for the year and is based on the Organization's audited Financial Statements. Similar to the quarterly report, it is designed to determine that expenditures by funding source are sufficient to justify contract amounts.

This report is prepared within 120 days of year-end, using audited results, and is summarized for submission to Lender after review and approval of the Executive Director.

Other Controls: In addition to these Organization-wide reports, the Controller also reviews Monthly Expenditure Reports by line item for each Department and Monthly Revenue Reports by source of revenue by Department for all sources of Earned Income. Each Department Head has primary responsibility to operate within the approval Department Budget; however, coordination with the Controller is part of the control.

**SUBJECT: BUDGETARY CONTROLS - DEPARTMENT SPECIFIC**

PROCEDURE

It is the responsibility of each Department Head to monitor their budgetary expenditure levels throughout the year and to take corrective action when variances require such actions. Corrective action must include contact with the Controller to discuss approaches to be taken.

In addition, as part of the Executive Committee review, the Controller may initiate investigations on variances and may require Department Head input.

Monthly Expenditure Reports: To assist the Department Head in their responsibility for budgetary control, the Accounting Dept. will issue monthly expenditure reports by line item, by department, within 2 weeks after the quarter-end.

These reports will contain actual and budget expenditures for each month and year-to-date, as well as variance amounts. The Department Heads should use these reports to determine compliance with budget level programs.

Monthly Revenue Report: Each month a fiscal year-to-date report will be issued of Earned Revenue by department by Source of Revenue.

These reports will also be issued within 2 weeks after the quarter-end.

At the time of budget preparation, each department will be consulted to establish Revenue Goals. The Monthly Revenue Report will be measuring the actual performance against these Goals.

Budgetary Responsibility of Department Heads: Whenever a Department Head is aware that expenditure levels or revenue levels applicable to the Department are or may be at variance by more than 10%, a written action plan must be submitted detailing correcting action to be taken to rectify the situation.

Action Plan Reports are due at least by the Wednesday following the 2nd full week following month end.

These reports should be issued to the Deputy Director who will include these in the Deputy's report to the Executive Director. (Copies of the Deputy's report should also be sent to the Controller).

**SUBJECT: BUDGET CONTROLS - CHANGES TO BUDGET**

It is the policy of the Organization that changes to the Organization's Annual Operating Budget must follow the level of authorization shown below.

1. Department Head may shift up to $500 for any category of expense so long as the total Department budget remains unchanged.

2. The Controller may shift line item budget for any operating department as long as the total operating budget is not exceeded.

3. The Executive Director may authorize shift in the organization-wide line item budgets up to 25% and must notify the Executive Committee of the Board of Directors of such shifts at the next regularly scheduled meeting.

4. Budget Revision in which the Organization's total budget is changed must be brought to the Executive Committee for evaluation. The Executive Committee shall present such budgets with recommendations, to the full Board for approval.

If individual department budgets or line item changes are proposed and the total changes do not require a revised budget, a Budgetary Change Form must be prepared and approved by the level of authority shown above.

Personnel Changes

If the change is in Personnel, show the position number in the first column, the Employee name and position title under the "Category" column, and Current and Revised amounts in the applicable column. The Current amount should always agree with the latest approved budget.

If the position being proposed is a new position, the Current columns would be zero "0" and there would be no position number, since no new position can be approved until the Budgetary Change Form is approved. Under the Revised column for such new position show the amount of salary thru the end of the fiscal year.

For all other changes to personnel, show the fiscal year effects of the proposed changes. Show the effective date of the change and whenever possible try to start the change for the beginning of a pay period.

If these personnel changes are approved, the signed approved copy of the Budgetary Change form should be attached to the Change of Status Form and/or the Authorization to Hire Form.

Other Expenditures Categories

In the first column of the Budgetary Change Form, show the Line Item # for the expenditures as contained on the Budget Detail Form.

The type of expenditure should be listed under the "Category" column. The Current and Revised Amounts should be recorded as applicable. Whenever possible show the effective date of change.

Reason for Change

Indicate in sufficient detail the reason for change. If necessary, attach additional material.

Processing of Changes

The Budgetary Change Form should be prepared by the level of authority requesting the change and signed by the levels of authority shown above.

In all cases, regardless of the authorization levels required, the Controller must sign off to evidence that the budget changes will be incorporated into the overall Operating Budget.

**SUBJECT: METHOD OF ACCOUNTING**

It is the policy of the Board of Directors that the books, records and accounts of the Organization be maintained on the accrual method of accounting.

PROCESS DEFINITIONS:

1. The accrual method of accounting requires that expenses be recorded when incurred and that revenue be recognized when earned. In a like manner, assets will be recorded when earned or obtained, and liabilities will be recorded when incurred.

2. A general ledger shall be maintained as a book of final entry to record the financial transactions of the Organization under the accrual method of accounting.

3. Balance sheet accounts will be established and maintained on an Organization wide basis.

4. Revenue accounts will be established in sufficient detail to reflect sources of funds earned and, whenever practical, to reflect the department that generated the revenue.

5. Expense accounts are assigned on a Department basis, with each Department (operating department) assigned a complete set of expense accounts.

6. Department Listing:

7. Chart of Accounts:

RESPONSIBILITIES:

1. The Bookkeepers are responsible for overseeing the maintenance of and the entries into the general ledger, and for establishing and maintaining the chart of accounts, and department assignments.

2. The Controller supervises Bookkeepers and is ultimately responsible for the integrity of the accounting system.

**SUBJECT: INDEPENDENT AUDITS**

It is the policy of the Board of Directors that the financial statements for the Organization shall be audited at least once per year by Certified Public Accountants who are qualified to perform audits in accordance with "Governmental Auditing Standards".

Further, it shall be the policy of the Organization to rotate independent auditors at least every five years as deemed necessary.

The rotation policy fosters objectivity of the auditors, enhances the quality of services and brings forth different ideas and recommendations to improve the efficiency of the Organization.

PROCEDURE:

The selection of audit firms to conduct the above referenced audits shall be the responsibility of the Audit Committee of the Board of Directors, who will develop a Request for Proposal (RFP) and establish the term and condition of the request, following appropriate practices for selection of independent audit firms.

Agreement with the audit firm shall be negotiated for three (3) years with an option to renew for two (2) additional years or not to exceed a maximum audit period of five years.

To properly effectuate this rotation policy, the audit firm at the end of the audit period shall be precluded from submitting proposals.

**SUBJECT: PURCHASE AUTHORIZATION LEVELS**

It is the policy of the Organization to establish purchase authorization limits which are consistent with sound business practices. In accordance with this policy, the following schedule of authorization levels has been established:

DEPARTMENT HEADS may authorize purchase of goods and services up to a limit of 1/12th of the budgeted line item amount, not to exceed $500 per purchase.

DEPUTY DIRECTOR may authorize purchase of goods and services up to the organization-wide budgeted line item amount, or $10,000, whichever is less. All purchases over $5,000 must be reported to the Executive Committee at the next scheduled meeting.

CLARIFICATIONS:

1. Nothing in this policy shall be interpreted to change the check signature authorization levels.

2. Authorization limits pertain to single purchases.

3. The authorization levels required for lease approvals shall be determined by the total amount obligated for the term of the lease.

4. All contracts which involve the expenditure of funds fall within the purchase authorization levels of this policy.

5. The Controller may veto or defer any expenditure on the basis of cash flow.

6. Deputy Director may veto or defer any expenditure on the basis of any reason.

**SUBJECT: GUIDELINES FOR MAKING LARGE PURCHASES/CONTRACTS**

It is the policy of the Organization to use the purchasing or contracting process which is most convenient, efficient, expeditious, and conductive to a standard of quality. When making large expenditures, or large purchases, renovations and other such items. Although economy is always a major consideration, the Organization need not always choose the least expensive course, if this is not consistent with other more desirable factors.

**SUBJECT: PURCHASING: LEASEHOLD, IMPROVEMENTS, RE-MODELING, MAJOR REPAIRS**

Every major repair, leasehold improvement, remodeling, and construction venture must be pre-approved by the Executive Director before it is ordered or carried out. Only emergency repairs, such as those that place in jeopardy the life or safety of the staff or clients may be authorized by other than the Executive Director or Deputy Director.

Because of the demands of cash flow, even approved capital outlays cannot be carried out without specific authorization. In order to assure that approved funds are not expended without proper authorization, and to assure compliance with regulations, the following procedure is to be observed:

a. The Deputy Director shall review each request for leasehold improvements, remodeling, minor construction, or major repair/construction from the standpoint of:

1. Health and safety issues
2. Licensing and permitting issues
3. Efficiency issues.
4. Other qualitative issues

b. The Deputy Director will approve or disapprove the request and pass it on to the E.D. for comments, discussion, and approval as to substance.

c. The E.D. shall approve or disapprove the project, and pass it on to the Controller for approval as to:

1. Status of authorization
2. Availability of funds

Any of the above may disapprove a project on the basis of it not having been pre-planned, and require justification as to why an unplanned project has taken precedence over a previously planned project.

d. Once the project is approved and authorization to spend has been given by the Controller, the Deputy Director shall coordinate the project, although the actual work may be delegated to department staff.

3. Contingencies

In recognition of the fact that events can occur which will require or make desirable the consideration of unplanned projects, the CONTROLLER will periodically review the budget with an eye toward determining whether funding is available for previously unplanned items, or whether new grants received require mid-year planning processes.

4. Board Approval

The Board of Directors must approve any project which is over the amount of $25,000 even when the item has been included in the budget which the Board has already

approved. Therefore, time must be allowed for the process of obtaining Board approval, and must be anticipated and planned for.

All individual projects under the amount of $25,000 which are in the approved Organization wide budget, or their financial equivalents, may be approved by the Executive Director.

5. Commitments and Contracts

The Executive Director and Deputy Director are the only staff members who are authorized by the Board of Directors to sign binding contracts.

**SUBJECT: APPROVAL OF FUNDING CONTRACTS**

Background and Definition

Funding contracts are defined as contracts in which an outside entity and the Organization enter into an agreement whereby the Organization provides services in consideration for receiving funds. All of the Organization's funding sources such as State of California, Contra Costa County, City of Richmond, Department of Housing and Urban Development, Department of Labor, as well as other funding agreements, are included in this definition.

If the total annual funding amount for a funding contract is $500,000 or less, the Executive Director or Deputy Director is authorized to execute the agreement on behalf of the Organization.

If the total annual funding amount for a funding contract is over $500,000, the approval of the Board of Directors is required. At the time such board approval is obtained, the authorized signators will be identified based on the requirements of the funding source.

Such board contract approvals will be made through formal Corporate Resolutions.

Contract Amendments

Amendments to contract over $500,000 may be made by the Executive Director or Deputy Director who is thereby acting on behalf of the Board of Directors provided that:

a. the original contract was initially approved by the Board of Directors as required above, and

b. any such amendments are reported to the Board of Directors at the next scheduled board meeting.

c. any significant changes in the language or scope of the contract shall , prior to their Amendment by the Executive Director, be reported to the Executive Committee and shall be subject to that Committee's approval. The term "significant" shall mean a

change that, in the opinion of the Executive Director, alters the meaning or scope of the contract.

**SUBJECT: RETENTION OF RECORDS**

FISCAL RECORDS:

Financial records and all records necessary to document expenditures; income, and assets must be kept five years, however for major assets, as long as the asset is owned. If any litigation etc. were initiated prior to the five year limitation, records must be kept until the resolution of all issues arising from these actions.

PROCESS:

1. If any funding source or governmental regulation requires addition retention periods, these requirements will supersede this policy.

RESPONSIBILITIES:

In order to comply with the above-stated Retention of Records Policy, the following procedures will be enacted:

1. The five year retention period to be used will include the five full years subsequent to the creation year. For example, records created in 2003 would be retained for 2004, 2005, 2006, 2007, and 2008 (discarded in 2009).

2. The following type fiscal records are to be maintained:
   a. General Ledger
   b. Subsidiary Ledger
   c. Transaction Listings
   d. Bank Statement and Reconciliation
   e. Account Payable - Vendor Files
   f. Payroll Ledgers, time sheet and other payroll documents
   g. Cash Receipts Deposit documentation
   h. Reimbursement Request documents for other reimbursement Contracts
   i. Funding Contracts
   j. Audit Report
   k. Federal and State Taxes Return
   l. Insurance Policy

3. Records for the two prior fiscal years will be retained on site. Records for other periods may be retained off-site. Records shall be placed in storage boxes labeled as to contract source and fiscal year.

CARE, CUSTODY AND CONTROL OF RECORDS - FISCAL:

The Controller shall be responsible for the Care, Custody, and Control of all records discussed in this policy; and will make sure that storage areas for record retention are properly ventilated, dry and secure. On a periodic basis but at least semi-annually the Controller must inspect the storage areas to assure continued compliance.

ADMINISTRATION:

Administration records including correspondence, records and memos from the files of the Executive Director, Controller, Deputy Executive Director, and other Administrative Management Staff are to be retained for 5 years following the fiscal year in which they were created.

PROCESS:

Files and records for the 2 year prior to the current fiscal year may be retained on site. Records for other periods may be stored off site. The records shall be placed in storage boxes labeled as to content, source, and fiscal year.

CARE, CUSTODY AND CONTROL OF RECORDS - ADMINISTRATION:

The Office Manager shall be responsible for the Care, Custody, and Control of all records discussed in this policy. The Office Manager will make sure that storage areas for record retention are properly ventilated, dry and secure. On a periodic basis but at least semi-annually the Office Manager must inspect the storage areas to assure continued compliance.

PERSONNEL RECORDS

Personnel Records of terminated employees must be retained for 5 years after the fiscal year in which termination occurred.

PROCESS

Files and records for the 2 years prior to the current fiscal year may be retained on site. Records for other periods may be stored off site. The records shall be placed in storage boxes labeled as to content, source and fiscal year.

CARE, CUSTODY AND CONTROL OF RECORDS - PERSONNEL

The Office Manager shall be responsible for the Care, Custody and Control of all records discussed in this policy. The Office Manager will assure that storage areas for record retention are properly ventilated, dry and secure. On a periodic basis but at least semi-annually the must inspect the storage areas to assure continued compliance.

Method of Record Destruction

The following levels of controlled record destruction are to be used when outdated records are to be destroyed:

1. Client Records and any other records described as confidential are to be shredded internally.

2. Personal Records and Financial Records are to be shredded internally.

3. All other items can be discarded by placing them in trash bags, tied and put into the recycling containers.

**SUBJECT: CITY, COUNTY REVENUE:**

The above range of accounts is assigned to Revenue Contracts from Government Agencies. While the nature of such contracts may change from year to year, the following accounts have been assigned during the current period the current listing includes:

List:

**SUBJECT: PROCESSING OF DONATIONS AND CONTRIBUTIONS TO THE ORGANIZATION**

When any person or organization makes a donation or contribution in cash, check or in-kind to the Organization, regardless of the program for which it is intended, the Controller is to be given the donation, or in the case of in-kind contributions, must be notified in writing of the donation.

The individual receiving the donation is to prepare a Receipt for Donation or Fund-raising Solicitation Form (receipt form) for all of the following type items.

a. Cash
b. Supplies
c. Food
d. Tickets to events
e. Equipment and furniture
f. Gifts for clients
g. Books and magazines
h. Videos, records, tapes, etc.

Fund-raising

The receipt form is also to be used for acknowledgment of fund-raising solicitation receipts.

Name of Donor

Since we will be acknowledging in writing all donations and fund-raising contributions complete the donor name and address section with as much detail as possible.

Received By

The individual receiving the goods or cash must sign the receipt form, date, and for non-cash item, use the donor's estimate for the value (amount) of the items donated.

Type of Receipt

Unless a specific fund-raising solicitation is underway, most contributions will be considered as "Donation".

Whenever a fund-raising solicitation is underway, the Controller will be notified. Therefore, if in doubt as to the type of receipt, contact the Controller.

Usage

Unless the donor specifies a restriction of the donation usage, mark "non-specified". Otherwise, obtain the donor's request and indicate the name of the benefiting program designated by the donor. Also determine from the donor if the donation is for client use only.

Comments

Indicate in the "Comments" section, the description of non-cash items as well as any other notation that would be helpful in evaluating the donation.

Processing of Receipt Form

After completing the receipt, give a copy to the donor.

Copies of all receipt form must be given to the Controller, who will determine that the coding is correct and will cause a thank you letter to be sent to the donor.

Internal Process (Administration)

Within one week of receipt, the Office Manager is to write a thank you letter to the donor using the standard approved format (See Sample).

The Office Manager is to maintain a donation log on a calendar year basis listing the items of information contained on the receipt.

As a back up to assure that all donations are being reported, the Controller will review the posting to the contributions, donations, and fund-raising accounts each month to verify that these activities have been reported under this directive.

Donations of Capital Equipment and Small Office Equipment

Furniture and equipment with a value new of at least $25 but less than $500 are classified as small office equipment.

Furniture and equipment with a value new of $500 or more are classified as Capital Equipment.

In addition to the procedure described above, donations of Capital Equipment and Small Office Equipment will require additional accounting treatment.

**SUBJECT: SELECTION OF BANKS**

The selection of banks and type of accounts to be used for the funds of the Organization shall be the exclusive right of the Board of Directors.
Special Instructions: All Organization Checks require two signatures, one of which must be an officer of the Board of Directors and the other the Executive Director or Deputy Director.

**SUBJECT: PAYROLL**

It is the policy of the Organization to pay employees on a bi-weekly payroll cycle and to establish procedures to assure that hours worked are recorded and reported properly. Further, payroll controls should be established to assure the propriety and validity of all individuals receiving payments.

PROCESS:

A. Pay Periods

The bi-weekly payroll period shall be for a fourteen-day period commencing on a Monday and concluding on a Friday two weeks hence. The payroll pay date shall be the Wednesday after the concluding Friday of the payroll period. In the event that a pay date occurs on a legal holiday, payment may be made on the last workday prior to the holiday(s).

B. EZ Labor Electronic Timesheet
Each Employee will record daily activities on the EZ Labor Timesheets. Supervisors will review all timesheets for accuracy and completeness and verify the entries prior to submission for data input. Time associated with specific project will be indicated by account and project code established by EZ Labor. Accounting Clerk will enter the timesheets to ADP payroll system on biweekly basis.

Reporting Paid and Unpaid Absences and Benefits

In addition to hours worked, the Time sheets should contain any hours of paid or unpaid absences. (See Personnel Policy Manual for eligibility and type of absences and benefits available).

Such absences and paid benefits must be authorized by the supervisor using the Advance Authorization which is to be attached to the applicable time sheet for processing. A separate authorization must be completed for each pay period even if the time off is consecutive such as vacation. For example, a vacation or other absence that extends over two pay periods must be authorized on two separate Advance Authorization forms, each covering the dates of the applicable pay period.

The following codes are to be used on the Time sheets to indicate the type of non-worked hours being reported and should be recorded in red ink:

Leaves of Absence

The Personnel Policy Manual allows employees to request leaves of absences for extended periods of time. Whenever such absences are granted, the employee may have a considerable number of unpaid days included in the leave of absence. In order to simplify the time sheet reporting process, the following exception to the Advance Authorization request and time sheet recording is being made.

a. Whenever there are no paid hours to be reported for an absent employee on authorized leave of absence, Advance Authorization forms do not have to be submitted with each time sheet. The supervisor should write across the entire 14 day period of the time sheet on the line, for the employee involved, "Leave of Absence".

b. However, if any paid hours are included on the time sheet in any pay period, then the remaining work days must be accounted for thru the Advance Authorization form as described above. If the paid hours are non-worked hours, these must also be included and explained on the Advance Authorization form.

Submitting Time sheets

Employees are required to complete EZ Labor Timesheets no later than 10 AM on the Monday following the conclusion of the pay period. If the Monday is a Holiday, special instructions will be issued covering the reporting requirements.

The Time sheets must be approved by each employee and by the supervisor.

Advance Authorization forms must be attached for any non-worked hours included on the Time sheets.

If employees are not available to sign Time sheets, supervisors are to process the Time sheets as required. Employees must be informed that they must go to the Accounting

office to sign their Time sheets and that the employees will not receive their paychecks until the Time sheets are signed.

In order to accommodate a few exceptions, such employees will be allowed to sign the Time sheets prior to the conclusion of the pay period so that the Time sheets can still be processed on time.

In so doing, some hours reported may be estimated based on scheduled work. It will be the responsibility of the supervisor to subsequently verify that the estimated hours were actually worked or an amended time sheet was prepared and submitted.

Distribution of Checks

The Controller will verify the accuracy of paychecks, including the accuracy of the direct deposit of net pay amounts. The Payroll Office shall deliver the paychecks to the Controller for distribution to employees.

a. If the employee is on an approved absence or vacation on the dates when the Time sheets are signed and when the payroll checks are distributed the employee may request, in writing, to the Accounting office that his paycheck be mailed or given to an authorized party. However, upon return to work, the employee must sign the previously unsigned Time sheets before the next paycheck can be issued to him.

b. If the employee is unable to come to the Accounting office to pick up his paycheck due to unusual circumstances such as illness and/or hospitalization, and the absence is not covered by an approved Advance Authorization (covered by (a) above), the employee may request in writing that his paycheck be mailed or given to an authorized party. Such request must be approved.

**SUBJECT: PROCEDURE FOR ADVANCE AUTHORIZATION FOR OVERTIME AND EXTRA HOURS WORKED**

General:

Non-exempt employees are not authorized to work overtime or extra hours without the prior approval of their supervisor. To assure compliance to this Policy, and to evidence prior authorization, the following procedures are to be followed:

Procedure:

Whenever a supervisor is to authorize overtime and/or extra hours to be worked by an employee, the supervisor must prepare an Advance Authorization for Overtime/Extra Hours.

This Advance Authorization form can be held for the entire pay period and submitted to Payroll Office with the time sheets.

Completion of the Form:

* The name of the staff member who is to do the work and that person's employee number are listed in the applicable section of the form.

* The date the work is authorized, the authorized hours to be worked and the reason for the work shall be indicated in the appropriate column. Completion of the next two columns will depend on the type of work and condition.

a. If the staff person is working extra hours in his/her own job, both the employee number covered and the position number charged will be the same as the staff member's own position number. (However, see Overtime Exempt Section for Exception).

Overtime Exempt Employees:

Employees who are overtime exempt are not paid for extra hours worked since their salary and position generally have taken these factors into consideration.

**SUBJECT: PROCEDURE FOR ESTABLISHING PERSONNEL EMPLOYEE NUMBERS**

All work positions in the Organization must be authorized by the Executive Director before anyone can work. This includes voluntary subsidized positions, students and other non-paid positions as well as all regular paid positions regardless of method of payment.

Departments

A Department is an accounting designation that is used to identify and accumulate expenditure categories (costs) for activities of a like nature or activities that are defined by the Organization management as appropriate for such treatment.

The Organization's accounting system is also set up to capture expenditures on a Department basis.

The Controller has the responsibility to establish Departments and to assign Department numbers.

Each Department is assigned a unique two-digit number for identification and control.

**SUBJECT: JOB DESCRIPTIONS**

Each job position shall have a correspondent job description. Each employee shall receive a copy of the job description for his position upon being hired, and when changes are made to the job description. It is the responsibility and right of management to change job descriptions as the requirements for work in a position change.

The Deputy Director shall receive input and hear recommendations from Department Head about the adequacy of current job descriptions and authorizes changes and shall supervise the integrity of the personnel files in this regard as well as in other areas.

Department Head shall receive input from supervisors and other staff about adequacy and currency of job descriptions and make recommendations to the Deputy Director for changes. The Department Head shall review the adequacy of job descriptions at least once a year and discuss changes with affected employees and provide training if needed.

Supervisors and other staff shall bring to the attention of Department Head perceived need for changes to the job description and in performance required by changes in the job description.

Office Manager shall Implement the procedures as described below.

Procedures for Making Changes to Job Descriptions:

1. The changes made are submitted to the Deputy Director for approval, with a copy of the old job description attached.

2. If the Deputy Director approves the changes, then it is reviewed and approved by the Executive Director before final typing of the new job description is done, and the amended job description is entered into the computer disk labeled "Job Descriptions

3. The amended Job Description is marked "Obsolete" and dated with the date when the new job description is effective.

4. The Office Manager marks "obsolete-and the date" on all of the job descriptions contained in the personnel files of employees currently employed who occupy that job position. The obsolete job description stays in the employee's file. Issues each affected employee a copy of the new or amended job description. Places new job descriptions in each personnel file. Place a copy of the obsolete job description, properly marked, in a hard copy file. Purges all supplies of obsolete job descriptions, and assures that new hired and/or rehired employees receive the current one.

NOTE: The computerized file of Job Descriptions will contain only the updated versions of the job descriptions. To review old job descriptions, the hard copy file must be examined. When a job description is being entered into the computer files, it must be dated with the date of the new version.

**SUBJECT: LOANS, LINES OF CREDIT, AND OTHER ENCUMBRANCES**

All loans, lines of credit, and/or other encumbrances incurred by the Organization must be approved by the Board of Directors. The Executive Director or Deputy Director and one officer of the Board are authorized to sign such documents of indebtedness.

PROCEDURE:

From time to time, the financial needs of the Organization may require funds thru loans, lines of credit, and/or other encumbrances.

When such circumstances occur, the Executive Director or Deputy Director shall present the request for such funding to the Executive Committee of the Board of Directors for evaluation. The Executive Committee shall submit the request to the Board of Directors and shall include the committee's recommendation for approval or disapproval.

Use of Lines of Credit: When Board approved, and a Line of Credit is obtained, the manner of drawing down funds is as follows:

a. The Executive Director or the Controller shall determine the amount of funds needed and shall prepare a Request for Funds as required by the bank. The Request for Funds shall be signed by the Executive Director or the Deputy Director and one Officer of the Board of Directors.

b. Copies of all such Request for Funds will be forwarded to Controller who will oversee the transfer of funds and record the appropriate accounting entries.

**SUBJECT: INVESTING OF CASH**

Whenever the Organization's cash funds are in excess of current cash needs, it is the policy of the Board of Directors that such excess funds be used to pay down indebtedness where applicable or be deposited into interest-bearing Money Market Account (s). Such Money Market Accounts shall be selected by the Board of Directors as per policy.

Revolving Line of Credit

Whenever Revolving Lines of Credit are in force and indebtedness exists, excess cash should be used first to pay down such indebtedness whenever possible.

In order to minimize interest expense by paying down such Revolving Lines of Credit, the Executive Director or the Deputy Director are authorized to transfer funds between the Organization's Revolving Line of Credit and its Commercial and/or Money Market Accounts by telephonic transfer.

Control Over Telephonic Transfers

Each such telephonic transfer shall be evidenced by a written authorization signed by the Executive Director or the Deputy Director and forwarded to the bank with a copy sent to the Treasurer of the Organization.

The bank shall be instructed to issue debit and credit advices evidencing these transfers and also shall be instructed to acknowledge in writing the limits of telephonic transfers as discussed above.

**SUBJECT: CASH FLOW FORECASTING**

Background

Cash management begins and ends with good planning. While it is a policy of the Organization that operating budgets be balanced as to revenue and expenditures, the timing of these activities can cause great fluctuations in the cash position. Therefore, cash flow forecasting is a vital tool in the cash management system.

Responsibility

While the operational responsibility for cash flow forecasting rests with the Executive Director, the actual preparation and monitoring of cash flow forecasts is delegated to the Controller.

Forecasting

Cash flow forecasting shall be updated on a monthly basis and shall be in sufficient detail to identify sources of revenue and expenditures for monitoring and planning.

Each month, the prior month's actual revenue and expenditures will be posted to the forecast. In so doing, the results for the periods prior to the current month will reflect actual activities.

Input estimates for the forecast are obtained primarily from the Organization's operating budget. However, off-budget items such as payments on capital leases, payments on long-term obligations, bank loans and repayment of same for short-term cash flow purposes, and accounts payable and accounts receivable from prior periods are also factored in to the forecast. Uses of the Forecast

There are several uses for the cash flow forecasts including:

a. Cash deficits: Being able to predict periods of cash deficits is one of the primary purposes of the forecast and it's a critical function in cash management. The annual forecast done prior to the fiscal year helps to pin point deficit periods and is used to determine if, and what type, of short-term borrowings are appropriate. In addition, expenditure plans can be altered when cash deficit periods are anticipated. Also,

funding sources can be contacted to request assistance to move up payment schedules.

b. Cash Excess: Especially vital in Cash Management is the ability to predict periods of excess cash. With such information, management can determine the best use of such excess funds. .

**SUBJECT: PETTY CASH FUNDS**

The establishment of a petty cash fund requires the prior written approval of the Executive Director/Deputy Director and the Controller. This approval can be evidenced on the check request that establishes the fund.

The custodian of the petty cash fund must be a different person from the one who approves the fund reimbursement.

PROCEDURES

One person is to be identified and is responsible for care, custody, and control of the petty cash fund. All reimbursement checks are issued in the name of the custodian of the petty cash fund, i.e.; Jane Doe, Petty Cash. The custodian is responsible for maintaining the funds in a secure place especially after hours. For funds under $100. $300 and under, a locked file cabinet or locked desk is acceptable for storage of the fund. For funds of $100., and over $300, a safe is required.

All disbursements from the petty cash fund must be evidenced by signed receipts, which identify the items purchased, the amount, and the department to be charged, and shall be recorded on an expense voucher for each item of disbursement.

The petty cash fund cannot be used to make personal loans or to cash personal checks.

PETTY CASH REIMBURSEMENT AND FUND RECONCILIATION FORM:

Reimbursement of the petty cash fund shall be submitted on the "Petty Cash Reimbursement and Fund Reconciliation Form".

In the Reimbursement section list each item of expenditure showing amount and type of expense and the department to be charged. The total of this list is to equal the amount of "disbursement receipts" in the Reconciliation Section. Leave the account code column blank, this will be posted by the Accounts Payable Clerk. Receipts must be attached to the form in a secure manner, preferably in a sealed envelope so that access to the receipts can be obtained without destroying the receipt.

In the Reconciliation Section, list the detailed count of cash on hand where it says "Cash Count", the total amount of "petty cash vouchers" (for cash\receipts in transit) and the total amount of disbursement receipts. The total of these three items should be

equal to the total "Fund Amount". Any difference between the Reconciliation Total and the Fund Amount should be listed in "over (short)".

NOTE TO ACCOUNTS PAYABLE: After receipts are verified to the Reimbursement Form, each receipt must be stamped "PAID" so that it cannot be used for subsequent reimbursement.

Timing of Reimbursement

Petty cash funds should be established at an amount equal to at least 2 weeks cash needs. Reimbursement requests should be made each Friday or whenever the fund is close to 50% exhausted, since the reimbursement check will not be received until the Friday following the week in which requests were received in Accounts Payable.

It is the responsibility of the petty cash custodian to plan ahead and to request reimbursements with sufficient lead time to prevent cash deficiencies.

Cash Losses:

The custodian of the petty cash fund is responsible for the fund and any losses that occur, unless extenuating circumstances, such as burglary of secured funds, exist. In such instances written statements of the facts, police reports and other documentation must be approved by the Executive Director before reimbursement is allowed from Organization funds.

Changes in Custodian:

Whenever a change of custodian is to be made, petty cash reconciliation is to be completed. A statement should also be included on the reconciliation indicating that the new custodian accepts the fund as reconciled. Both prior and new custodian should sign. Each should receive an original signed copy and another original signed copy should be sent to the accounting department. This should be done even for short transfer periods such as vacation or leaves.

Controls: The accounting office must maintain a file of current petty cash custodians, with signed evidence of responsibility.

On an unannounced basis, at least once a year, the accounting office must conduct a petty cash count and reconciliation to the General Ledger.

In analyzing the petty cash funds, accounting office is to determine if the amounts are appropriate for the activities involved. Recommendations to the Controller should be made if adjustments are required.

Supervisors of petty cash custodians are to reconcile the petty cash fund on a monthly basis each time reimbursement is requested on the Petty Cash Reimbursement and

Fund Reconciliation Form and submit evidence of such reconciliation to the accounting department.

**SUBJECT: A/R - GOVERNMENT**

This account is a control account that is used to record in total the amounts due from various Government Agencies. In addition, a subsidiary ledger is to be maintained for each of the specific other governmental contracts.

PROCESS:

1. In general, this account will be used to control amounts due from contracts with governmental agencies. Usually, all these funding sources support specific services based on proposals and expenditure budgets approved in contractual form. Also the approved budgeted expenditures are reimbursed after actual disbursements are made by the Organization.

RESPONSIBILITIES:

Each month, the subsidiary ledger shall be reconciled to this General Ledger Control Account. The reconciliation shall contain information having the outstanding amounts and the Service dates involved for each of the subsidiary accounts.

**SUBJECT: A/R - MISCELLANEOUS**

This account will be used to record amount due from any entities not covered by other receivable accounts.

PROCESS:

Billings to other agencies are on an occasional basis when a continued relationship does not appear likely, and other, such activities will be recorded in this account.

RESPONSIBILITIES:

1. Again, a detailed subsidiary ledger will be maintained for each of their billing and monthly detailed reconciliation to the General Ledger Control Account will be made.

**SUBJECT: SECURITY DEPOSITS ACCOUNT**

This account is to be used to record payments made for security deposits such as leases, utilities, etc. The distinguishing point is that the disbursement is not an expense but is being held by outsiders as security against possible future expenses or to be

applied to future purchases. Often these payments are held for a long term and interest is sometimes earned.

This account must be analyzed each month by the Bookkeepers, who will prepare a detailed listing showing payee, check number, date, amount, and purpose for the security deposit.

**SUBJECT: ACCOUNTING FOR PROPERTY: PURCHASES, TRANSFERS, DISPOSITIONS, ETC.**

Definition:

A. Property includes all office furniture, equipment, electronic departments such as calculators, Copier machines, and other tangible assets. These assets (property) are capital assets if the department cost is $500.00 or more. If under $500 they are classified as small equipment, provided that the department price is at least $25. If under $25, the item is classified as supplies.

Procedure:

Since capital assets ($500 or more) may require prior written approval from funding sources before expenditure can be made, preplanning of these expenditures is mandatory. Usually, request for such capital asset purchases are to be submitted during the budget process. When actual purchase is requested, the Department Head is to complete a Request for Authorization to Expend Funds. The form is to be submitted to the Executive Director for approval and processing. Approved requests become purchase authorizations. If special bidding or solicitations/quotations are to be obtained, Purchasing Policy guidelines are to be followed. When items are purchased, approved invoices and all appropriate documentation is to be submitted to Accounts Payable, along with a copy of approved request.

ACCOUNTING PROCEDURES:

Invoices will be coded as capital assets or small equipment as applicable. On a monthly basis, the Bookkeepers will schedule (list) all entries for the month and update the fixed asset schedule. Also, the Bookkeepers will assign a CHDC Inventory Control Number (sticker) and will be responsible for having the sticker placed on the item. Please note that all items inventoried as capital assets or small equipment shall be assigned to an individual in addition to the Department identified. If an item or equipment is for common use, someone shall be assigned "care, custody and control" of the item. That person's name will be included in the inventory record. In the event no one is so assigned, the Department Head will be identified as the responsible party.

Discarding of Property: When property is either no longer needed by the Department and transfer to another department is not appropriate and/or when property is no longer functional, a transfer form should be prepared describing the facts and sent to the

Controller. The Controller will review the request with the Executive Director and a decision as to disposition will be made and notated on the transfer form.

Note: If property was purchased with Federal, State or County funds, approval from these agencies may be required prior to disposition. In addition, all dispositions of capital equipment and all adjustments to the Fixed Asset Account must be approved by the Executive Committee in advance. When disposition is completed, the transfer form is sent to the Bookkeepers for recording.

E. Sale or Donation of Property: Sale or donation of property can only be made with the prior written approval of the Executive Director. In addition, all dispositions of capital equipment and all adjustments to the Fixed Asset Account must be approved by the Executive Committee in advance. A transfer form would still by prepared describing the circumstance involved. Approval of the Executive Director as to propriety and of the Controller Services as to process will be required. Upon completion, the transfer form is sent to the Bookkeepers for recording.

Note: If property was purchased with Federal, State or County funds, approval from those agencies may be required prior to disposition.

Valuation of Donated Equipment

Whenever anyone offers to donate property or equipment to the Organization, the Controller should be notified. A decision will be made as to acceptance and an individual will be assigned to coordinate the receipt of the property or equipment. The coordinator will prepare detailed documents describing the goods and indicating the condition.

The documentation will be forwarded to the Controller who will be responsible for assigning a value to the items involved.

Establishing Valuations

The Controller will obtain comparable prices (new) for the donated items and will depreciate the values to an amount consistent with the remaining use life of the item.

The following use life will be used as a guide:

| | |
|---|---|
| Office Furniture - | 5 years |
| Office Equipment - | 5 years |
| Other Furniture - | 5 years |

Recording Donated Equipment

The Controller shall indicate the valuation to be used on the Donated Equipment Form (price new) and forward the Form to the Bookkeepers, who will record the transaction on the Fixed Asset Input Form, tag the asset and enter the data to the Fixed Asset Ledger. Code the input form under conditions as used and Funding Source as #5

Donated. At the same time, the CONTROLLER will issue a journal entry to the Accounting Department to record the transaction.

The entry will be as follows:

Debit: Property & Equipment (as applicable)
Credit: In Kind (donated) Revenue

A companion entry will also be made to record depreciation as follows:

Debit: Depreciation Expense
Credit: Accumulated depreciation to reflect est. depreciation of donated equipment to arrive at remaining value.

The items will be included on the Depreciation Schedule with like item of similar remaining use life.

For example, if a copier was donated to the Organization and was determined to have a value new of $10,000 and two years remaining use life, the entry would be:

**SUBJECT: ORGANIZATION PROPERTY ASSIGNED TO EMPLOYEES - PROPERTY**

Definition:

Assigned Property refers to Organization property that is given to employees in connection with their work and may from time to time be removed from the Organization premises.

Such items may include keys, manuals, office equipment, computers and computer terminals, cell phones, automobiles, etc.

The above are differentiated from office equipment and property which may be used by the employee and is not authorized to remove such items from the Organization premises.

Procedure:

All assigned property must be acknowledged in writing as received by the employee and authorized by the Organization using the Assigned Property Document.

Department Heads may authorize assignment of property up to a value of $500. Over this amount requires the approval of the Deputy Director.

Completed Assigned Property Documents are to be distributed as follows:

The original to the Personnel office for filing in the employee's personnel file.

One copy to the Property Accounting office, if item over $25

One copy to the employee

Return of Property

In the event the employee is requested to return the property or desires to return the property previously assigned, the authorized representative of the Organization should obtain a copy of the Original Assigned Property Document from the Personnel office and should verify the propriety of the items being returned.

A new Assigned Property Document should be prepared and on the line entitled "Property Assigned to" cross thru and write "Property Received from". The authorized representative should date and sign for each item listed and should explain the reason for return in the "Comments" section.

Distribution of the form is the same as the original.
Termination

**SUBJECT: CAPITAL PROJECTS**

The Capital Projects accounts are to be classified as part of the Fixed Assets for Balance Sheet presentation.

PROCESS:

1. These Capital Projects accounts are to be used to record all expenditures made for special projects that have been identified for specified Capital Funds. In this way, all expenditures will be captured in one account so that accountability of disbursements may be more easily made.

RESPONSIBILITY:

1. Each month a detailed analysis will be made and updated that will include check copies and will identify check #, date of expenditures, amount, payee, and type of expenditures, and will be reconciled to the applicable General Ledger Account.

2. When projects are completed the amounts accumulated in the Capital Projects Account will be re-distributed to the appropriate Fixed Asset and/or expense accounts.

SUBJECT: Accounts Payable

General

As compatible elements of the Accrual Method of Accounting, expenses are to be recorded when incurred. For this to be accomplished, invoices for goods and services are to be recorded in the benefiting month. Also, the liability incurred when goods and services are obtained, must be reflected in the books and records of the Organization.

Policy

To accomplish these objectives, it is the policy of the Organization to establish a system to record expenses in the benefiting month(s) and to record liabilities for these goods and services in the month in which the liability was incurred.

Procedure

Each day invoices are received and forwarded to the Accounts Payable clerk. These invoices are gathers in a grouping of "work to be processed": In addition, requests for disbursements are submitted by department heads and authorized managing staff, either with approved invoice for services or a Check Request with other supporting documents. These also are gathered into the grouping of "work to be processed."

Processing of Invoice and Check Request

The first step in the process is to verify that the invoice, as requested, is not a duplicate by verifying the invoice to the vendor's accounts payable file. If it is a duplicate, the vendor and/or the requester will be notified and the invoice/request will be disregarded. If the invoice/request is not a duplicate, the document will be stamped with the Accounts Payable stamp:

The Accounting Clerk will indicate that the invoice has been verified (not a duplicate) and calculation have been verified.

Purchase of goods will require a receiving document to be signed and dated by the individual that actually reviewed and verified the items; this is usually the purchasing location. Such evidence of receipts are brought to the Accounts Payable clerk for subsequent verification to the vendor's invoice.. The "receipt" line on the Accounts Payable stamp may be cross-reference to the receiving documents or the receiver can also date and initial the A/P stamp. All other invoices for which Receiving Reports are not created, must be initialed and dated.

All invoices over $1,000 submitted for payment including subcontracts and requests for checks, will be reviewed and approved by the Controller. All invoices up to $1,000 submitted for payment including subcontracts and requests for checks, will be reviewed and approved by the Department Head if $500 or less or Division Director if $1,000 or less. Evidence of supervisory review and approval shall be adequately documented on all invoices and requests for disbursements.

Disbursements will not be processed unless they are approved by authorized personnel. All disbursements must be supported by original receipt or invoice. In emergencies when service

The due date for payment will be recorded by the individual approving the invoice for payment. If no due date is indicated, meaning that the invoice should be paid in due course, the A/P clerk will schedule the payment for the next available payment cycle.

Invoices can only be approved for payment by individuals who have the appropriate level of authority based on purchasing policy. The invoices will be coded with the Department numbers and general ledger accounts numbers. These are approved either by the purchasing location, the Accounting Manager or the Controller.

After invoices and check requests are verified and approved, the Accounts Payable clerk enters the information to the MIS Accounts Payable Program. Vendors are identified by vendor number. The Accounts Payable clerk assigns vendor numbers in alphabetical and vendor's number order.

Payment of Invoices and Check Requests

For ease of processing, invoices are processed for payment on the Friday closest to the due dates. Before the actual checks are printed, a listing is obtained and verified to ascertain that nothing unusual exists and that cash flow availability is still appropriate.

If any adjustments are required, they are made and the checks are the created. Checks are prepared in triplicate. The original will be sent to the payer, the pink copy will be filed with the invoice in the vendor's file, and the yellow copy is filed in check number numerical sequence.

Before the checks are submitted to management for signature, the control (yellow) copy is removed and retained in accounting.
The check signer will have the original duplicate check and invoice, and other back up data present when signing the checks. Checks are signed by individuals authorized to do so based on the Distribution Policy.

**SUBJECT: ACCRUED LIABILITIES**

GENERAL:

Since the Board of Directors has established that the books and accounts of the Organization shall be maintained on the accrual method of accounting, transactions must be recognized and recorded in the appropriate benefiting period. Likewise, liabilities must be recognized when incurred.

PROCEDURE:

Each month during the month end closing process, the Bookkeepers and the Controller shall review the activities of the period to determine if there are any events that must be recognized through an accrual entry.

Some of the areas of evaluation shall include:

Accrued Payroll - Since the Organization's bi-weekly payroll is paid one week after the pay period ends, and since the pay date will usually determine the month in which the transaction is recorded, there will always be a need to prepare an accrual entry to record the payroll liability for the time worked but not yet paid.

The period of accrual shall include the dates since the last recorded payroll period to the end of the month. For example, if in the month of March the last payroll recorded in the month was for the pay period ended on March 24 and paid on March 31, an accrual would be required for the period from March 25 thru March 31. The amount of the accrual would be an estimate based on the amount and account distribution contained in the last recorded payroll. Even though some departments (Departments) have staff working on week\ends, the payroll shall be considered to cover 10 work days and the accrual estimate will be made for the number of week days contained in the accrual period.

Using the example above, the full two week payroll for the period ended March 24 would be listed showing the amount of payroll charged to each department and total payroll.

Since the pay period always ends on a Friday, we know that the accrual period runs from Saturday, March 25, thru Friday, March 31. As stated above, we shall make an accrual estimate based on the number of week days contained in the accrual period ;i.e., 5 days (Monday, March 27 thru Friday, March 31).

The accrual amount shall be 50% (5 days accrual 10 days full payroll) of the amounts by department contained in the March 24 pay period.

This accrual entry will be recorded in the closing entries for the month of March.

The credit will be to the accrued Payroll Account. However, the debits will be to the "Other Salary" account for each department. We are charging the accrued salary expense to the other "Other Salary" accounts rather than the "salary & wages" account so that the latter will agree with the Labor Distribution Report, which is used as a payroll control by the Department Head. The accrual entry is to be reversed in the following month.

Accrued FICA - In addition to the accrual for payroll as discussed above, an accrual should be made for the employer's portion of the FICA tax applicable to the accrued payroll.

The accrual entry is to be reversed in the following month.

Unrendered Invoices - Whenever there is a reasonable belief that a liability has been incurred but the vendor's invoice has not yet been received, an accrual should be made if the following exist:

a. The amount of the liability can be reasonably determined.

b. The amount of the liability is in excess of $500.

Some transactions that would be considered for this treatment are:

a. Merchandise previously ordered has been received.

b. The delay in receipt of a regular monthly invoice for goods or services still under contract. For example, utility, bills, telephone, rental invoice, equipment leasing invoice, etc.

The accrual entry is to be reversed in the following month.

**SUBJECT: NOTES PAYABLE**

No obligation that results in a long term debt (more than one year) can be incurred without the prior written approval of the Executive Committee if over $10,000, or the Board of Directors if over $25,000.

Procedure:

Each year, the notes payable should be separated between the amount due in the current year and those amounts payable after the current year. The amounts due in the current year will be recorded in account number -Notes Payable-Current. Amount due in subsequent years are to be recorded in Account -Notes Payable-Long Term.

For Balance Sheet presentations, the Notes Payable-Current will be listed as a Current Liability. The Notes Payable-Long Term will be listed as a Long Term Liability.

Accounting:

Each Notes Payable will usually be accompanied by a payment amortization schedule, either for the entire term of the note, or at least, for the current year. If none is provided, the Controller will have one prepared using standard computer Amortization Programs.

Payments are to be set up through Accounts Payable with each payment identifying the interest amount (charged to Account - Interest Expense) and the principal payment charged to Account -Notes Payabale-Current.

**SUBJECT: SALARIES ACCOUNTS (BY DEPARTMENT)**

Compensation paid to the Organization's employees is to be charged to Account Salaries (by Department). This account will be used to record gross salaries for each payroll. Usually there will be two payroll payments per month. Since the Organization pays on a bi-weekly basis, there are 26 pay periods per year. Therefore, in two months each year, there will be three payrolls charged.

It should be noted, however that the salary account is always charged using the accrual method of accounting.

**SUBJECT: VACATION PAY ACCOUNT**

The Vacation Pay expense account is only charged or credited at fiscal year end when the year-end accruals are made to record the liability for earned, unpaid vacation. During the year, vacation payments are simply a part of the regular salaries charged to expense each pay period.

The logic being that budgets for the year are calculated on each individual annual salary. This may be 50 weeks of regular pay and two weeks of vacation or any combination thereof.

However, at year end the liability for vacation pay is calculated for all eligible employees. The Accrual Vacation Account is adjusted to the new liability, increase, or decrease as compared to last year's accrual. The offsetting entry is to this Vacation Pay expense account.

**SUBJECT: PROFESSIONAL FEES**

Professional Fees are expenses made for services of attorneys, auditors, accountants, consultants, and other type professionals that are not employees.

Auditing Expenses for the annual audit of the Organization's Financial Statements The expense is recorded in the year the audit is completed or the year of payment, whichever is earlier. The expense is charged prorated to each Department.

Legal Expenses for attorneys and other legal consultants. Charge to Administration Department, unless otherwise specified.

Other Professional Fees - Expenses for professional fees other than legal, and audit.

**SUBJECT: COMMUNICATIONS:**

The following expense accounts have been assigned to record expenditure pertaining to communication.

TELEPHONE: The monthly telephone bill is analyzed by the Supervisor of the Reception Area, who verifies the charges, especially long distance calls and approves the bill for payment. Distribution by Department is made based on the number of telephones assigned to each Department. In other locations that have separate systems, the Department director is responsible to approve the telephone bill. All approved telephone bills are returned to Accounts Payable for processing.

POSTAGE: The Main Office utilizes the Pitney-Bowes Mailing System with the Postage By Mail Program. The Postage By Mail Program allows the Organization to mail correspondence using the metered mail machine. Postage Deposits in increments of $400.00 are paid to the Pitney-Bowes System. As the meter reading gets down to below $400 (Starting form $800), a deposit is made. The charges are allocated to all departments equally, since the amounts are too small for a more exact allocation basis.

Cell Phones: Certain positions need to be on call at all times. These employees are authorized to obtain a cell phones; however, all requests and leasing of cell phones must be handled by the Controller. Those Departments obtaining cell phones will be charged for the cost in this Acct.

**SUBJECT: PRINTING AND REPRODUCTION**

The following expense accounts have been assigned to record expenditures pertaining to Printing & Reproduction:

OUTSIDE PRINTING: All arrangements to obtain outside printing of forms, brochures, reports, documents, manuals, etc must be approved in advance by the Controller if the amount exceed the purchase limits of the Department Director and\or the purchase exceeds the Department's budget for this category.

Generally, purchase quantities should be limited to one year usage and may be charged directly to this account at the time of purchase. Departments purchasing outside printing items will be charged at the time of invoice processing.

IN-HOUSE DUPLICATING: The cost of paper and other supplies necessary for the in-house copiers will be charged to this account. Charges to the Department will be based on allocations at time of purchase or quantities specified for the Department, whichever is appropriate. (NOTE: The costs of leasing the copiers are charged to Equipment leasing. Maintenance costs copiers are charged to Repair & Maintenance Equipment).

**SUBJECT: BUILDING RENTAL**

Rental Agreements that commit the Organization to rent payments over several months or years must be approved by the appropriate level of authority based on the total obligation over the full term of the Agreement.

Rental Lease Agreements, with a total obligation of $50,000 or greater must be reviewed by an attorney representing the Organization. While the Board of Directors is not bound to accept the recommendation of the attorney, the meeting minutes in which these decisions are made should reflect the reasons for same.

PROCEDURES:

The lease files are to be maintained by the Controller, who will institute a follow up program to notify the Organization when leases are schedules for rent charge, renewal, or tenants at least 60 days prior to the date necessary for action. Longer lead times may be established when applicable.

In addition, the Controller will develop a detailed rent schedule to be used by Accounts Payable as authorization to make monthly or provide payments. The rent schedule shall include Landlords name, Address, Rental Location Address, Monthly Rental Amount termination Date of Lease.

As changes are made, Accounts Payable will be given written notification in advance. Also, commencing with the month of change, revised Rent Schedule will be issued. As rent payment checks are copy of the current Rent Schedule is to be attached to each check so that the check signers can have evidence that the payment is appropriate.

**SUBJECT: EQUIPMENT RENTAL**

The following accounts have been assigned to record the expenditure for Equipment Rental. As a general rule all equipment rental & agreements must be included in the Department budget and it must be approved in advance by the Controller as well as the appropriate authorized level.

COPIER RENTALS: This account is used to record the rental costs for copiers and copier equipment. As part of the lease negotiation process an evaluation will be made as to the requirement of treating the transaction as a Capital Lease. If so, the full purchase price will be set up as fixed assets and the monthly "lease" payments will be split between purchase and debited to the Capital Lease Account and Interest debits the Interest Expense Account. When in doubt the transaction will be set up as a copier rental and will be re-evaluated at year end audit. The expense will be charged to benefiting Departments on an equal basis, except that the copier cost in the Administration Department will not be allocated, since costs are subsequently allocated.

COMPUTER EQUIPMENT & SYSTEM LEASE: As mentioned above, these leases will be evaluated to determine if they meet Capital Lease Treatment. The expense of

Computer leased equipment & system pertaining to the integrated equipment in other locations tied in to the server will be charged to Administration. Other computer equipment such as PCs and support equipment used in the Organization will be charged directly to such Department.

**SUBJECT: DEPRECIATION AND AUTHORIZATION**

It is the Organization's policy to calculate depreciation and authorization on a straight line method, i.e. the value of the asset is divided by the useful life (in months) and that amount is charged each month equally. Depreciation is an accounting method to write off the cost of Fixed Assets to expense. Authorization is similar but refers to the write off of non-tangible Fixed Assets, i.e. leasehold improvements and other such rights.

The following accounts have been assigned to record the Depreciation & Authorization expense:

| ACCT: | TYPE ASSET | USEFUL LIFE |
|---|---|---|

PROCEDURE:

When Fixed Assets are purchased, the invoices will be coded with the appropriate asset account and the Department. In addition to being posted to the Fixed Asset Ledger, the purchase is also posted to the Depreciation Schedule, maintained by the Bookkeepers, who will calculate depreciation by asset category and Department and prepare monthly Journal Entries.

**SUBJECT: CONFERENCE AND TRAINING**

The following accounts have been assigned to receive the expenditure for Conferences, Including workshops and staff training and development:

Conference Registration Fees- This account will be used to record the Cost of Registration fees for outside conference. It is not necessary to breakout the cost of a lunch which may be included in the fee. However, if room costs are included these need to be separated and changed to Room & Board. .

Staff Training & Development- This account will be used to record the costs of conducting or providing staff training & development, either in-house or outside.

**SUBJECT: PERIODICALS, BOOKS, AND SUBSCRIPTIONS**

This account is to be charged with expenditures for subscriptions to magazines, periodicals, professional journals, books for staff library, and other type of expenditures for Organization-business related education printed material, not intended for staff training. For example cost of workshops given to employees as part of the training would be charged to Staff Training & Development Acct. .

However, a series of book purchased for the Department staff as reference materials would be charged here. If materials are purchased for client's education the cost will be charge to Education Supplies. Video cassettes would be handled with the same distinctions as discussed above.

**SUBJECT: PROFESSIONAL DUES AND MEMBERSHIPS**

This account will be used to record expenditures made to Professional Organizations to which the Organization is a member. Generally, all such memberships must be approved by the Board of Directors as to propriety as well as amount of such dues.

Such Organizations are created to provide members information and resources pertaining to the members business. This is differentiated from payments made to organizations in which an ownership interest is obtained. Expenditures resulting in an ownership interest would be a capital Investment. Unless otherwise directed, all expenditures for professional dues will be made from non-governmental funds, i.e., no federal, state, county, or city funds are to be used. These expenditures will also be excluded from the "Computation of Matching Requirements" schedule reported in the Audited Financial Statements. The exclusion will be labeled as "Non-reimbursable expenses."

Unless specifically authorized, no Department except Administration is allowed to incur expenses for this cost.

**BUDGETARY CHANGES FORM**

TO:

FROM:

DIVISION:_____DATE_____

DEPARTMENT: _____

PROGRAM:_____

CHANGES: (Describe, specifying position number, title, employee name, if applicable, effective date, other, if applicable)

| Pos # or Line # | Category | Amount | Revised |
|---|---|---|---|

TOTAL

REASON FOR CHANGES:

_____

_____

_____

_____

_____

SIGNATURES: DATE:

DEPARTMENT HEAD:_____

CONTROLLER:_____

DEPUTY DIRECTOR:_____

EXECUTIVE DIRECTOR:_____

Note: If these changes affect Personnel, an approved copy of this Budget Change form must be attached to the Change of Status form and/or Authorization to hire form.

CHDC

Community Housing Development Corporation

# Employee Handbook

Community Housing Development Corporation of North Richmond

*An Equal Opportunity Employer and Provider Since 1990*

(Rev. October 2019)

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# Introduction to the Employee Handbook

This Employee Handbook is intended as a helpful resource guide to the workplace at Community Housing Development Corporation of North Richmond (which will be referred to in this manual as "CHDC" or "Company"). Please take the time to read it and become familiar with its contents. Ask your immediate manager, Human Resources or the Executive Director if you have any questions. This Handbook explains, in general terms, our workplace philosophies and beliefs, and our employment guidelines.

In order for us to make the best business decisions, we reserve the right to add, modify, or eliminate policies and programs, with the exception of CHDC's policy of "at will" employment or other legally required policies or programs. You will be provided with reasonable advance notice of significant changes to employment policies and programs.

This Handbook is not an express or implied agreement or contract of employment for any particular duration of time. It describes CHDC's policies and guidelines on various subjects. Employees may enter into agreements separate and apart from this Handbook, which detail other and additional issues and responsibilities. This Handbook supersedes all prior handbooks, manuals, policies and procedures issued by CHDC, as well as any inconsistent verbal or written statements.

# Equal Employment Opportunity

## 1.0 Equal Employment Opportunity

CHDC is an equal opportunity employer and provider, and recognizes the importance of having a diverse workforce that generally reflects the diversity of the community. Our long-standing policy is to recognize the dignity of the individual and ensure fair and impartial treatment in all of our employment actions without regard to race, color, ancestry, creed, religion, religious creed (including religious dress and grooming practices), sex, gender, gender identity/expression, sexual orientation, national origin, age, physical or mental disability, pregnancy/lactation, medical condition, genetic information, marital or domestic partner status, military and veteran status, or any other characteristic protected by law or regulation. All such discrimination is unlawful and all persons involved in the operations of the Company are prohibited from engaging in this type of conduct. This policy extends to all employment decisions including hiring, placement, promotion, transfer, demotion, layoff, termination, recruitment, pay and other forms of compensation, training and other terms and conditions of employment.

Any employee who believes that he or she has been subjected to discriminatory treatment should follow the complaint procedures set forth in the Prevention of Harassment section below.

# Work Environment at CHDC

## 2.0 Prevention of Harassment

CHDC is committed to providing a work environment that is free of wrongful discrimination and harassment, including sexual harassment. CHDC strictly prohibits harassment on the basis of race, color, religion, religious creed (including religious dress and grooming practices), national origin, age, physical or mental disability, pregnancy/lactation, medical condition, genetic information, marital or domestic partner status, military and veteran status, sex, gender, gender identity/expression, sexual orientation or any other characteristic protected by law or regulation or any other harassment that is severe and pervasive enough to substantially interfere with an employee's work or work environment. This policy extends to all employees, volunteers, clients, visitors, independent contractors and providers of services or products to CHDC.

Unlawful harassment cannot be fully defined in this Handbook, but, in general, it is unwelcome physical, verbal, or non-verbal conduct, based on one of the categories mentioned above, that is severe or pervasive and creates an intimidating, hostile or offensive work environment, or submission to the conduct is made either an explicit or implicit condition of employment or used as the basis for an employment action. Applicable law defines sexual harassment as unwanted sexual advances, requests for sexual favors, or visual, verbal or physical conduct of a sexual nature (which is not limited to sexual desire) when: (1) submission to the conduct is made either an explicit or implicit condition of employment; (2) submission to or rejection of the conduct is used as the basis for an employment decision affecting the individual; or (3) the conduct has the purpose or effect of unreasonably interfering with an employee's work performance or creating an intimidating, hostile, or offensive work environment. Sexually harassing conduct can be by a person of either the same or opposite sex.

Harassment may include, but is not limited to, Verbal: threats, offensive jokes, comments or slurs (including written form via email, texting or other communication media); Physical: impeding or blocking movement, unwelcome physical contact, physical interference with normal work; and Non-verbal: offensive or obscene photographs or pictures, gestures or other displays that degrade or humiliate others. Examples of sexual harassment include, but are not limited to, offensive sexually-oriented kidding, jokes or insults, offensive or unwanted physical contact such as patting, pinching, touching, or brushing against another's body, unwanted flirtation, sexual comments, advances, or propositions (none of which are limited to expressions of sexual desire). If an employee's behavior is harassing, intimidating or disrespectful but is not based upon an individual's protected class or characteristic, it may be considered a violation of this policy if it interferes with another employee's work or creates an abusive working environment.

This policy applies regardless of where the behavior or incident occurs, whether or not the incident occurs on premises owned, operated, or leased by CHDC of North Richmond and whether or not it occurs during working hours.

If you believe you or a co-worker have been or are being harassed, the following reporting options are available:

- If the employee feels comfortable doing so, immediately let the person know that his or her behavior is unwanted or inappropriate.
- If the employee does not feel comfortable doing so, he or she may inform his or her direct supervisor or manager, any manager, the Deputy Director, the Executive Director, Human Resources or any Executive Committee member of CHDC's Board of Directors.
- Employees may also contact and file a complaint with the Equal Employment Opportunity Commission (www.eeoc.gov/employees) or the Department of Fair Employment and Housing (www.dfeh.ca.gov), the government agencies responsible for investigating and prosecuting complaints of unlawful harassment in employment. Your office's bulletin board will have contact information.

Supervisors and managers who receive complaints or who observe or are aware of any harassing conduct must inform Human Resources, the Deputy Director or Executive Director immediately so that the matter can be investigated.

Upon notification to a manager, Human Resources, the Deputy Director, the Executive Director or the Executive Committee of the Board of Directors, CHDC will conduct a prompt, fair, thorough and impartial investigation by qualified personnel that provides all parties with appropriate due process and reaches a conclusion based on the evidence collected. It will be conducted in a manner that is as confidential as possible. All employees are required to cooperate fully with any investigation. The investigation will be documented and tracked for reasonable progress. The company will provide timely notification of the results to the applicable parties.

Based on the results of the investigation, the Company will take appropriate remedial action, as needed, up to and including termination of employment.

CHDC strictly prohibits retaliation against any employee for raising a complaint or concern or against any employee who participates in a workplace investigation, or for filing, testifying, assisting, or participating in any manner in any investigation, proceeding, or hearing conducted by a governmental enforcement agency. If you feel that you are being or have been retaliated against, inform your supervisor, any manager, Human Resources, the Deputy Director, the Executive Director or the Executive Committee of the Board of Directors. In the event that an investigation concludes that a complaint was fabricated for improper purposes, the Company will take the appropriate action commensurate with the finding and its legal obligations.

Keep in mind that the Company cannot fix problems in the workplace that it does not know about. Failure to report inappropriate behavior prevents CHDC from taking steps to remedy the problem.

## 2.1 Disabilities and Job Accommodations

CHDC of North Richmond is committed to treating all employees, applicants for employment, and clients in a manner consistent with good business practice and legal obligations, regardless of physical or mental disability. CHDC will make reasonable accommodations for clients and visitors to use our facilities, for applicants to complete the employment application process, and for employees to perform the essential functions of their jobs.

If you are disabled and need an accommodation to perform your job, notify your manager, Human Resources or the Executive Director and complete an accommodation request form. Upon this written request from you or where the need for an accommodation is received from a third party (authorized by you), is based on observation or occurs at the conclusion of a leave of absence period, CHDC will comply with its legal requirements under the Americans with Disabilities Act, the California Fair Employment and Housing Act and any other applicable law or regulation. The Company will need to determine what accommodation, if any, is reasonable, which includes whether it will cause undue hardship to the company. To make this determination, we will obtain your input as to what you believe is a reasonable accommodation. We will engage in a dialogue with you as we look at various alternatives.

We will usually need medical certification regarding the disability and recommended accommodations, for example, when there is a job-related reason for this information and the disability (or the extent of the disability) is not obvious. Second medical opinions and medical re-certifications may be required. It is your responsibility to ensure that all requested medical certifications are submitted to us. All communications with your health care provider regarding medical issues will be authorized by you, and will be maintained in a confidential manner. Reasonable accommodation determinations will be based upon medical recommendations, and an analysis of the feasibility of the proposed accommodation and whether it will cause the Company undue hardship. Since each job accommodation is unique, certain restrictions may apply, such as requirements regarding additional medical certification or advance notice for absences.

In certain situations, usually to determine if the employee can perform the essential job functions or for the safety of the employee or others, a medical (or fitness for duty) examination may be required. These examinations are conducted for job-related reasons, consistent with our business necessity. Employees are generally provided time off to undergo such an examination.

## 2.2 Open Door

CHDC maintains an open door policy. The open door policy offers employees, volunteers, and consultants an opportunity to interact with management, without fear of repercussion, to express concerns, opinions, suggestions and comments and to resolve a challenge. Employees are encouraged to make suggestions to their supervisor, Human Resources, the Deputy Director or the Executive Director. Employee concerns are addressed in as timely and confidential manner as possible. While the Company provides you with this opportunity to communicate your views, please understand that not every complaint can be resolved to your satisfaction.

## 3.0 Organizational Structure

The Board of Directors of CHDC is responsible for establishing operational policies and employing the Executive Director. The Executive Director is responsible for administering the policies and reports to the Board of Directors. The staff of CHDC is accountable to the Executive Director.

## 3.1 Employment At Will

CHDC employs all employees on an "at will" basis. This means that CHDC may terminate the employment relationship or change the terms and conditions of employment of any employee at any time, with or without notice or cause. Likewise, employees may resign their employment at any time, for any reason, without notice. This status may not be altered by oral statements, longevity of employment, performance reviews, promotions, salary adjustments, or application of disciplinary measures, if any.

No representative of CHDC, other than the Executive Director or Deputy Director, has authority to change the "at-will" employment status of any employee, to enter into an agreement for employment for a specified period of time, or to make any agreement contrary to this policy. Even then, any such agreement must be stated expressly, in writing.

## 3.2 Hiring, Recruiting and Background Checks

All applications for employment must be in writing and include the position for which the individual is seeking employment. All requests to recruit must be approved, at a minimum, by the Executive Director before recruitment is initiated. Recruitment activity is contingent upon appropriate funding.

The Company recognizes the importance of maintaining a safe workplace with employees who are honest, trustworthy, qualified, reliable, and nonviolent, and do not present a risk of serious harm to their coworkers or others. For purposes of furthering these concerns and interests, the Company conducts background investigations after a conditional job offer is extended. Certain positions also require a credit check. Background checks may also be conducted during employment for business purposes.

In the event that a background check is conducted, the Company will comply with the federal Fair Credit Reporting Act and applicable state law, including providing the job applicant or employee with any required notices and forms. The Company further complies with applicable laws and regulations, including California's Ban the Box law, with respect to an applicant's prior criminal history by conducting individualized assessments taking into account the time that has elapsed since an unresolved arrest or criminal conviction and any mitigating factors.

## 3.3 Eligibility to Work in the U.S.

Under federal law, all new hires must produce original documentation and complete a form establishing their identity and eligibility to work in the United States. Documentation must be produced to Human Resources within three business days of hire, or on the first day of any employment that is less than three business days. Employees must be eligible to work throughout their employment.

## 3.4 Working Remotely

Working remotely (sometimes called "telecommuting") means working at home or at a site near the home instead of physically traveling to a central workplace. CHDC may extend this arrangement to some employees at its sole discretion, and may end the program at any time. Written advance authorization is required by the Executive Director, as well as an agreement describing responsibilities such as work schedules, safety, and use of CHDC property.

## 3.5 Personnel Files

CHDC maintains a personnel file for each employee. These records are confidential and the property of CHDC. Upon written request to Human Resources or the Deputy Director and with 30 days advance notice, you or your representative (who is authorized in writing) may inspect your own personnel file (at reasonable intervals) by scheduling an appointment with Human Resources and/or you may request copies of documents you have signed that pertain to your being hired or employed and personnel records relating to your job performance and any grievances. You may not remove any documents from your personnel file. CHDC reserves the right to redact the name of any nonsupervisory employee in your personnel file before you review it. CHDC further reserves the right to charge employees for the actual copying costs.

Although CHDC keeps these files private, it may be obligated to disclose information to persons outside the organization, such as, to respond to a subpoena or court order, to comply with governmental agencies as part of an investigation, to administer employee benefit plans, or to facilitate emergency situations. Whenever possible, CHDC will try to keep this information restricted.

Unless specifically authorized by you, CHDC will not release any information about you, other than your dates of employment.

Employees are responsible for ensuring that their personal information is accurate and current. Employees must notify the HR representative of changes including name, address, marital status, beneficiaries, persons to contact in an emergency, and continuing education and training courses.

## 3.6 Standards of Conduct

CHDC tries to foster an environment of cooperation and teamwork to maximize each employee's job performance.

In order to assure orderly operations and provide the best possible work environment, the Company expects employees to follow rules of conduct that will protect the interests and safety of personnel. It is not possible to list all the forms of behavior that are considered unacceptable in the workplace, but the following are examples of conduct that may result in disciplinary action, including corrective action, suspension, demotion, and/or termination of employment.

- Failure to satisfactorily perform job duties, as assigned. Failure or refusal to follow guidelines or perform tasks.
- Insubordination, including but not limited to failure or refusal to obey the orders or instructions of any supervisor or member of management, or the use of abusive or threatening language toward any supervisor or member of management.
- Violation of safety or security guidelines, including provoking a fight or fighting during working hours or on premises owned or occupied by the Company, engaging in horseplay, carrying firearms or any other dangerous weapons, at any time, on premises owned or occupied by the Company.
- Possessing, distributing, selling, transferring, or using--or being under the influence of--alcohol or legal/illegal drugs in the workplace.
- Excessive tardiness, absenteeism, failure to observe or abuse of meal or rest breaks, failure to adhere to work schedules or failure to receive authorization to leave work during normal work hours.
- Actions or conduct which jeopardize or violate CHDC's equal employment opportunity and/or harassment prevention policy, including conduct that implicitly or explicitly interferes with the work performance of others or creates an environment which is discriminatory, offensive, intimidating or harassing.
- Destroying, damaging, defacing, sabotaging or theft of CHDC records, tools, property, or equipment.
- Engaging in criminal conduct whether or not related to job performance.
- Violation of any CHDC rules, standards, or practices.
- Actions which represent a conflict of interest with your duties.
- Actions which are dishonest, fraudulent or unethical.
- Actions which jeopardize or violate the confidentiality guidelines.
- Falsification, misrepresentation, alteration or destruction of any company records or property.

Conduct that is not listed, but that is unprofessional or potentially embarrassing, adversely affects or is otherwise detrimental to CHDC's interests, or the interests of its customers, clients or the public, may also result in disciplinary action, up to and including immediate

termination. Nothing in this section alters the employment at will relationship between you and CHDC.

### 3.7 Job Duties and Performance

CHDC maintains certain expectations and standards applicable to each employee's job. Your supervisor or manager will review these with you. In general, employees are expected to conscientiously perform their duties, respond readily to the direction of their supervisor, and conduct their relations with fellow employees in a manner which does not cause discord.

It is expected that employees will perform additional duties and assume additional responsibilities as needed by CHDC for its efficient operation. In order to adjust to changes in CHDC's business, it may become necessary to modify an employee's job description, add to or remove certain duties and responsibilities, or reassign an employee to an alternate job position.

Formal performance reviews will be conducted to provide supervisors and their direct reports with the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals. The Company expects supervisors to provide job performance feedback on a regular basis.

After the review, employees are required to sign the evaluation simply to acknowledge that it has been received and discussed. Employees may provide additional written comments at that time.

Supervisors and managers are to provide on-going feedback to their direct reports regarding job performance and conduct. If the employee requires improvement, CHDC will address this issue in a manner appropriate to the particular circumstances, which may include providing the employee with a performance improvement plan or corrective action, additional training, probation or termination.

### 3.8 Protection of Confidential Information

The security of CHDC's property is of vital importance. CHDC property includes not only tangible property, like desks, keys, tools and computers, but also intangible property such as information and data. All employees share the responsibility to ensure that proper security of CHDC property and private – or confidential – information is maintained at all times.

All employees, consultants, volunteers and contractors are required to abide by the terms of this policy and any applicable written agreement. Confidential Information means any CHDC proprietary information, technical data, trade secrets or know-how, including, but not limited to, research, plans, services, supplier lists, client lists, client financial and/or personal information (including, but not limited to, clients of CHDC on whom employees

have had contact or with whom they became acquainted during the term of their employment), names and expertise of employees and consultants, software, developments, inventions, processes, formulas, technology, designs, drawings, hardware configuration information, marketing, finances, other business information or any and all Human Resources data, including but not limited to any job performance, compensation, benefits, personal financial or private health information of any current or former employee disclosed to employees by the CHDC either directly or indirectly. Confidential Information does not include any of the foregoing items that have become publicly known and made generally available through no wrongful inadvertent or accidental act of employees or others who were under confidentiality obligations as to the item or items involved.

Employees, consultants, volunteers and contractors must have written authorization to review or otherwise access client records.

At all times during an employee's employment with CHDC, and after that employment relationships ends (whether voluntarily or involuntarily), employees are expected to keep in strictest confidence and trust all Confidential Information, and to not directly or indirectly disclose, use, rely on or induce, or assist in the use or disclosure of any Confidential Information without CHDC's prior express written consent, except as may be necessary in the ordinary course of performing duties on behalf of CHDC. This includes but is not limited to, soliciting any of CHDC's current clients, service providers or government agencies, inducing or encouraging such clients or entities to cease doing business with CHDC or taking away business from CHDC,

Employees must promptly notify their manager if they know or believe that CHDC's Confidential Information has been released or compromised in an unauthorized manner. Employees must take reasonable measures to prevent unauthorized persons or entities from having access to, obtaining, or being furnished with any Confidential Information.

Any violation of this policy may result in immediate termination of employment or, in the case of volunteers, consultants or contractors, termination of service agreements.

### 3.9 Public Relations

Employees share the responsibility for maintaining good public relations. Employees must not release information about CHDC's activities, staff or clients to the media without express authorization. All inquiries from the media must be referred to the Executive Director.

Employees must obtain approval from the Executive Director prior to making a public statement involving CHDC, its staff or clients, including, but not limited to, participation on panels, presentation papers, speech making, and participation in political activities.

## 3.10 Avoiding Conflicts of Interest

Employees are expected to devote their best efforts and attention to the performance of their jobs. Employees are expected to use good judgment, to adhere to high ethical standards, and to avoid situations that create an actual or potential conflict between the employee's personal interests and the interests of CHDC. A conflict of interest exists when the employee's loyalties or actions are divided between CHDC's interests and those of another, such as a competitor, vendor, supplier, or customer. Both the fact and the appearance of a conflict of interest must be avoided. Employees unsure as to whether a certain transaction, activity, or relationship constitutes a conflict of interest should discuss it with the Executive Director for clarification. Any exceptions to this guideline must be approved in writing by the Executive Director.

This guideline does not attempt to describe all possible conflicts of interest that could develop. Some of the more common conflicts from which employees should refrain, however, include the following:

- Accepting personal gifts or entertainment from competitors, customers, vendors, government agency employees, government agencies, suppliers, potential suppliers or persons receiving benefits or services under any program financially assisted by the Office of Economic Opportunity. This also includes gifts received by members of an employee's immediate family, consultants, and volunteers.
- Working for a competitor, supplier, or customer.
- Engaging in self-employment in competition with CHDC.
- Engaging in outside employment, consulting, volunteer work, speaking engagements or work of any kind which interferes with the employee's employment duties and responsibilities at CHDC.
- Using proprietary or confidential CHDC information for personal gain or to CHDC's detriment.
- Acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to CHDC.
- Committing CHDC to give its financial or other support to any outside activity or organization, without express authorization.
- Engaging in or having a close, personal relationship with a direct report employee of CHDC that might interfere with the exercise of impartial judgment in decisions affecting CHDC or any employees of CHDC or otherwise create a security or morale issue.
- Engaging in the development, real estate brokerage, or any other activities that may be interpreted as a conflict of interest with the program without prior written disclosure and prior written approval by the Executive Director.
- Offering employment at CHDC as a consideration or reward for the political support of any political party or candidate for public office, or engaging in partisan political activity as part of their job with CHDC.

Honoraria received by employees for presentations or speaking engagements relating to CHDC and its programs are not considered to be gifts for purposes of this conflict of interest policy.

If an employee or someone with whom an employee has a close relationship (a family member or close companion) has a financial or employment relationship with a competitor, customer, vendor, supplier, or potential supplier, the employee must disclose this fact in writing to the Executive Director. Employees should be aware that if they enter into a personal relationship with a subordinate employee or with an employee of a competitor, supplier, or customer, a conflict of interest might exist that requires full disclosure to CHDC.

Failure to adhere to this guideline, including failure to disclose any conflicts or to seek an exception, may result in discipline, up to and including termination of employment.

## 3.11 Ethical Behavior and Reporting

CHDC's reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

CHDC will comply with all applicable laws and regulations and expects all of its employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws by refraining from any illegal, dishonest, or compromising unethical conduct.

If a situation arises where it is difficult to determine the proper course of action, you should immediately seek advice and counsel from your manager and, if that person is not available, consult with another manager, the Deputy Director or Executive Director.

### 3.11.1 Whistleblower Protections

Compliance with this policy of business ethics and conduct is the responsibility of every CHDC employee. Disregarding or failing to comply with this standard of business ethics and conduct may lead to disciplinary action, up to and including possible termination of employment.

It is every employee's responsibility to report any and all actual or potential violations of this Handbook or other CHDC policies and procedures, including and especially complaints as to accounting or auditing irregularities or fraud and corruption.

In order for CHDC to address and resolve any potential areas of concern, it needs to be informed. Therefore, employees may raise concerns related to known or suspected illegal or unethical activities that might cause harm to the company, its employees or clients with their manager or supervisor, the Deputy Director or Executive Director, Human Resources or any member of the Board of Directors. Any of these individuals will help evaluate your situation or concern, offer advice, if appropriate, and report the issue to Human Resources

so that a reasonable investigation can be conducted. The matter will be kept as confidential as possible, meaning that the issue will be relayed only to those with a need to know.

If you wish to remain anonymous or otherwise so decide, you may submit a note through regular or inter-office mail to the attention of the Board of Directors. Confidentiality for persons who choose to remain anonymous will be maintained to the fullest extent possible.

Any potential violations of CHDC's harassment prevention or equal employment opportunity policies are to be reported according to the applicable policies (described above) so that the matter can be investigated and resolved.

CHDC strictly prohibits retaliation against any employee for providing information, participating in an investigation, reporting suspected illegal or unethical activities, or raising a complaint regarding conduct by the organization that the employee reasonably believes constitutes a legal violation or violation of the company's policies regarding ethical conduct.

### 3.12 Use of Company Property and Privacy

CHDC provides work areas, work stations, equipment, tools and various Technology Resources to assist employees in performing their jobs. Technology Resources consist of all electronic devices, software, and means of electronic communication including computers, printers, fax machines, copiers, computer software applications, internet access, electronic mail, telephones, cellular phones, pagers, handheld wireless devices, and voicemail systems.

Each employee has a responsibility to safely and appropriately use CHDC's property in a manner that increases productivity, enhances CHDC's public image, and is respectful of other employees. Employees have no expectation of privacy in their use of any CHDC property, including Technology Resources.

CHDC's property and Technology Resources are to be used only for the purpose of conducting the business of CHDC. Employees may, however, use CHDC's Technology Resources for incidental personal uses so long as such use does not interfere with their duties, is not done for personal financial gain, does not conflict with CHDC's business, and does not violate any CHDC policy.

On an occasional basis, employees may need to use a personal cellular telephone to make calls while in the workplace. Employees are expected to do so without disrupting or disturbing your co-workers or the workplace. If possible, calls should be made from a private location. Excessive use of personal cellular telephones or other telecommunication devices will be handled as a job performance issue.

Employees are prohibited from photographing, videotaping or audio recording anything on CHDC's premises or that of the properties upon which it is providing services, clients,

other employees, or any CHDC property or data without express written permission to do so.

### 3.12.1 Monitoring

In order to protect the safety and security of the workplace and to ensure efficient service, it may be necessary for CHDC to monitor or inspect an employee's work, work area, mail, and desk. In some cases, for customer service reasons, telephone calls and work on a computer may be monitored. CHDC's Technology Resources, including its computers, voice mail and e-mail, are accessible at all times by CHDC and may be subject to periodic, unannounced inspections by authorized representatives of CHDC for business purposes.

CHDC may, in its discretion, review any employee's electronic files and messages as well as the volume and content of usage. These communications may be read by others within the Company and outside it without first obtaining the employee's permission. Employees should be aware that even when a message is erased or a visit to a web site is closed, it is still possible to recreate the message or locate the web site. If there is information that an employee does not want to be available to others, the employee should consider sending that information by other means.

For safety and security purposes, CHDC may use video surveillance in certain community rooms and such surveillance information may be reviewed and used for business purposes. No surveillance will take place in any restrooms, locker rooms or any area in which employees change clothing. Employees are further notified of surveillance by notices in the workplace and authorize its use.

To provide a safe and secure workplace, CHDC reserves the right to inspect and search an employee's person or possessions, such as pockets, purse, briefcase, or other items of personal property that are being worn or carried by the employee when it has reasonable suspicion to do so. In such cases, the employee will be requested to conduct a self-search (i.e., by turning out or emptying pockets, purses, etc.) in the presence of an observer who will be a person of the same gender, to the extent feasible.

Because even a routine search for CHDC property might result in the discovery of an employee's personal possessions, all employees are encouraged to refrain from bringing into the workplace any item of personal property that they do not wish to reveal to the Center. Employees have no right of privacy to any personal items kept, stored, or maintained on CHDC premises, CHDC property, or CHDC equipment of any kind.

Employees who refuse to cooperate during an inspection or search will not be forcibly detained or searched. However, CHDC will base any disciplinary decision on the information that is available, and failure or refusal to cooperate could deprive CHDC of information that may clear an employee of suspicion.

### 3.12.2 Electronic Communications

Employees are expected to use their discretion and good judgment in transmitting sensitive materials in the most secure manner possible, which may mean using written memoranda or personal conversation. Employees are also expected to protect proprietary and confidential information by not disclosing their password(s) to anyone, other than an authorized employee.

CHDC recognizes that electronic communications are sometimes treated less formally than other types of communications and, as such, may have a greater potential for miscommunication than verbal communication. Employees using the internet, intranet, electronic mail or other electronic media at work or for CHDC business are expected to adhere to the usual principles of business communications by keeping them professional and respectful. Communications must not be transmitted in any manner, which reasonably could cause the recipient distress, embarrassment, unwarranted attention, or harassment, including personal attacks or vulgar, abusive, offensive or inflammatory language or images.

Electronic mail communications may not be made anonymously for any improper reasons. Impersonation, misrepresentation, or unauthorized disclosures by an individual claiming to be acting in an official capacity is prohibited.

All passwords must be available to management upon request. Employees should not provide a password to other employees or to anyone outside of the Company and should never access any technological resources using another employee's password.

Unauthorized review, duplication, dissemination, removal, installation, damage or alteration of files, passwords, computer systems or programs, or other property of the Company, or improper use of information obtained by unauthorized means, is prohibited.

## 3.13 Social Media Guidelines

Given the rise in communicating via the internet in various ways, CHDC provides the following guidelines for employees when representing CHDC on its social media sites, such as Facebook, LinkedIn and the CHDC website, as well as guidelines for employees when using social media. However, nothing contained in this policy is intended to interfere with protected concerted activity under Section 7 of the National Labor Relations Act, such as the right to discuss wages and working conditions with co-workers.

**Guidelines for the Organization's Social Media**

CHDC's website, Facebook, LinkedIn and other social media accounts are used for marketing and public relations purposes. All information posted on the CHDC website, profiles or accounts must be expressly pre-approved by the Executive Director.

**Guidelines for Employees Using Social Media**

The following guidelines relate to posting items on websites, live streams, media forums, YouTube, Facebook, MySpace, Twitter, Instagram, blog posts, chat rooms, instant messaging, texting, and any other technology that evolves.

**1. Do Not Disclose the Organization's or Our Clients' Confidential Information.** All CHDC employees must comply at all times with confidentiality and proprietary information agreement(s) and related policies described in this Handbook, whether on or off the job, and regardless of the type or medium of communication used (including but not limited to conversation, written documents, internet postings, email, instant messaging, chat room communications and the like). Specifically, CHDC employees must not disclose any confidential or proprietary information without prior authorization (as those terms are defined in the employee's confidentiality and proprietary information agreement and related policies described in this Handbook). Employees must also observe the following:

- Respect copyright and trademark laws, including use of corporate logos. For example, use of corporate logos in a commercial manner could cause confusion in the marketplace, and thus is prohibited.
- Do not identify, cite or reference customers, prospects and suppliers without written permission.

**2. Be Respectful and Professional.** CHDC employees must not disparage or defame any other CHDC employee or CHDC or its products and services. For example, employees must not post information, comments, photographs, video or other content regarding co-workers or CHDC or its products and services that does not support CHDC's goals or objectives; leads to morale issues in the workplace; detrimentally affects CHDC's business; may be considered vulgar, obscene, threatening, intimidating, harassing; or violates CHDC's policies, including, but not limited to, its Avoiding Conflicts of Interest, Equal Employment Opportunity, Harassment Prevention, Standards of Conduct, Ethical Behavior and Reporting, Whistleblower Protections, Workplace Violence Prevention, Protection of Confidential Information and Use of Facility & Property policies.

**3. Respect Your Co-Workers' Privacy.** Employees must not post any photographs or videos of or transmit any information about any CHDC employees without express authorization to do so. Before posting photographs or video taken at a CHDC event, contact Human Resources for approval.

**4. Avoid Expressing Personal Views As the Organization's Views.** On their own non-work time and using their own personal technology, employees may choose to communicate electronically regarding their personal business and beliefs by writing or responding to blogs, text messages or emails, or they may have personal websites or use social networking websites. CHDC expects that these communications are personal in nature. Employees who wish to identify themselves in such communications as CHDC employees may only do so if they specifically state that the information provided or the views expressed are personal and not CHDC's information or views – unless CHDC has previously authorized such communications. Similarly, employees may not use the CHDC logo on or with any electronic communications unless it relates to a business communication and authorization has been obtained.

5. **Use Organization Property for Organization Business.** As noted above, CHDC property which enables employees to communicate electronically is provided to enable employees to perform their work. Personal use must only be on a limited basis during non-work time, and it must not interfere with your work or that of another employee.

6. **Be Aware that Electronic Communications Are Not Private.** Online conversations are NOT private and internet postings are typically permanent through archival systems. Therefore, employees must take responsibility for their communications and immediately correct any mistakes or errors.

## 3.14 Children & Visitors

CHDC is not responsible for the safety or security of any children or other individuals who are visiting employees on CHDC premises. Their access to employee working areas is not permitted unless approved by management.

## 3.15 Professional Appearance

CHDC observes a casual dress code. Some employees who have client contact may not be able to participate in casual dress and will be expected to dress appropriately for each situation as required. Since employees' appearance at work reflects on CHDC, the Company requests that employees support its efforts by dressing and grooming appropriately for work. During working hours, all employees are expected to present a professional, well-groomed appearance to clients and vendors. Employees are asked to use good judgment and avoid dressing in a manner that would negatively affect clients' and or vendors' perception.

Ensure that usage of perfume, cologne, lotion, deodorant or other scented products is not so strong that it may cause an allergic reaction to those near you.

CHDC will reasonably accommodate employees' religious beliefs or observances, including religious dress and grooming practices, unless the accommodation would be an undue hardship. "Religious dress practice" includes the wearing or carrying of religious clothing, head or face coverings, jewelry, artifacts, and any other item that is part of the employee's religious observance. "Religious grooming practices" include all forms of head, facial, and body hair that are part of the religious observance.

## 3.16 Separation from Employment

CHDC follows applicable legal regulations regarding final pay for employees. Employees who provide more than 3 days' notice of resignation and those that are subject to company-initiated separation will be paid their final pay and accrued vacation leave on their last day of employment. Otherwise, employees will receive their final pay in accordance with legal requirements.

Before an employee leaves, he or she must return all Company-furnished property, such as computers, cell phones/smart phones, equipment, ID cards, keys, credit cards, documents, policy manuals, corporate manuals, and this Handbook (and other versions of this handbook, if any). The employee must also return any files, memoranda, data, records, documents or emails (whether in electronic or hard copy format), whether the employee authorized or prepared them or whether the Company furnished them to the employee. If the employee transmitted any data whatsoever to a personal email account (or to a non-employee's personal email account that was not for work purposes), such emails and data must be identified so that arrangements can be made for their return or destruction.

### 3.17 Exit Interviews

Employees may be requested to provide exit interview information upon separation. This process provides employees the opportunity to communicate about their work with CHDC.

### 3.18 Medical Records

All employee medical records, including leave of absence, insurance benefit information and Workers' Compensation claims documents, are maintained in confidential files by Human Resources and are available for review only to those with an authorized need to know. CHDC complies with all applicable privacy regulations and HIPAA. CHDC will not require the disclosure of genetic information regarding an employee or family member, except as authorized by the Genetic Information Nondisclosure Act.

### 3.19 Sexual and Elder Abuse Prevention

CHDC has a "Zero Tolerance" policy for any sexual or elder abuse committed by any employee, volunteer, or third party in the workplace or during any school event.

Sexual abuse is generally defined as the use, persuasion, inducement, enticement, or coercion of any child to engage in, or assist any other person to engage in, any sexually explicit conduct or simulation of such conduct for the purpose of producing a visual depiction of such conduct, or the rape, statutory rape, molestation, prostitution, or other form of sexual exploitation of children, or incest with children. Sexual abuse includes sexual assault or sexual injury. It does not include sexual harassment (which is addressed in the Harassment Prevention section). A child is anyone under the age of 18.

All employees are to display the utmost professional and respectful behavior at all times. They must observe increased diligence when interacting with minors.

Employees are not to meet with or talk to minors in an office with the door closed unless another adult employee or the child's parent or guardian is present.

Elders are defined as anyone over age 65. Criminal elder abuse is defined as willfully causing or permitting any elder to suffer, or inflicting unjustifiable physical pain or mental

suffering on the elder. It also covers situations where a person willfully causes or permits the elder to be placed in a situation in which elder's health is endangered.
Civil law defines civil elder abuse to mean physical abuse, neglect, financial abuse, abandonment, isolation, abduction, or other treatment resulting in physical harm or pain or mental suffering. It also means the deprivation by a care custodian of goods or services that are necessary to avoid physical harm or mental suffering.

Employees must immediately report any complaints from minors or elders to their immediate supervisor, the Deputy Director or the Executive Director. Employees must also immediately report any actual knowledge of or reasonable suspicions that sexual abuse of a minor or elder abuse has taken place to their supervisor, the Deputy Director or the Executive Director. If the suspected abuse relates to an adult, CHDC will contact the local Adult Protective Services Agency. If the suspected abuse relates to a minor, CHDC will report it to the Department of Family & Children's Services (DFCS), the Family and Children's Services (FCS) hotline or to the local police department. CHDC will notify appropriate family members, based on guidance from appropriate professionals. CHDC will take all reasonable steps to maintain the confidentiality of the complaint.

CHDC takes all allegations of sexual and elder abuse seriously and will conduct a prompt, thorough, and impartial investigation. Such an investigation will be conducted by a qualified third party. It will be conducted in a manner that is as confidential as possible. All employees are expected to cooperate and participate in an investigation, as requested. CHDC will cooperate fully with any investigation conducted by law enforcement or other regulatory agencies.

Based on the results of the investigation, CHDC will take appropriate action, which may include corrective action, counseling, disciplinary action or termination. With regard to violations of this policy by non-employees, CHDC will take appropriate action.

CHDC strictly prohibits retaliation against any employee for using this complaint procedure or for testifying, assisting, or participating in any manner in any investigation or related legal proceeding. If you feel that you are being or have been retaliated against, inform your supervisor, any manager, the Deputy Director, the Executive Director or the Executive Committee of the Board of Directors immediately.

### 3.20 Bulletin Boards, Solicitation & Distribution

Bulletin boards are reserved for the exclusive use of the Company for posting work-related notices or notices that must be posted pursuant to local, state, and federal law. From time to time, special notices and information for employees will be posted by the Company on Company bulletin boards or through electronic means. Employees should check the boards regularly for these notices. Employees may not make any postings without the written authorization of the Executive Director or Deputy Director.

To protect against employees being disturbed or disrupted in the performance of their job duties, outside solicitors are not permitted on Company premises at any time. During work time and in work areas, employees are not to communicate with or approach other

employees directly to sell items, whether for personal or charitable purposes, solicit donations or support for any cause or organization or participate in any non-Company activities or events. "Work time" includes all time for which an employee is paid and/or is scheduled to be performing services for the Company; it does not include break periods, meal periods, or periods in which an employee is not, and is not scheduled to be, performing services or work for the Company. Distribution by employees and non-employees of advertising material, handbills, or printed or written literature of any kind on Company premises is prohibited at all times.

### 3.21 Attendance and Dependability

Being present, on time and available for work is an essential function of each employee's job. As such, each employee is expected to report to work on a reliable and punctual basis. Absenteeism, early departures from work, and late arrivals burden your fellow employees and the Company. If you cannot avoid being late to work or are unable to work as scheduled, you must contact your supervisor as soon as possible. Unless you have made other arrangements with your supervisor, you must contact your supervisor each day of your absence.

You may be asked to provide a medical authorization for your time off so that your supervisor can determine if you are able to return to work and take appropriate action to determine accommodations for any medical restrictions. A pattern of excessive absenteeism or tardiness may lead to corrective action, up to and including termination of employment. Time off that is authorized as vacation time, paid sick leave or approved as a leave of absence will not be considered in evaluating absenteeism for this purpose.

If you fail to report for work without any notification to your supervisor or reasonable explanation, this will be treated as a disciplinary matter. If you fail to report for work for two (2) consecutively scheduled work days without any notification to your supervisor, you will be considered to have abandoned your job and voluntarily resigned your employment.

## 4.0 Health, Safety & Security

Safety is everybody's business. Safety is to be given primary importance in every aspect of planning and performing all CHDC activities. CHDC wants to protect employees against industrial injury and illness, as well as minimize the potential loss of production. Equipment, facilities, and work procedures are designed, installed, and developed for the safety of each employee, client, member, volunteer, and visitor to CHDC.

CHDC's Injury and Illness Prevention Program (IIPP) is designed for this purpose and provides important safety rules and procedures. The IIPP is maintained by Human Resources.

Employees are encouraged to raise concerns and to make suggestions about safety issues to their manager, Human Resources, the Executive Director or any member of the Board of Directors. Safety concerns or questions may be made anonymously to Human Resources. Retaliation of any kind will not be tolerated against any individual for raising a complaint or concern or against any individual who participates in an investigation.

The following are general safety rules:

- Avoid overloading electrical outlets with too many machines.
- Use flammable items, such as cleaning fluids, with caution.
- Walk, don't run.
- Report work-related injuries or illnesses (see §4.2).
- Ask for assistance when lifting heavy objects or moving heavy furniture.
- Keep cabinet doors and file and desk drawers closed when not in use.
- Sit firmly and squarely on chairs that roll or tilt.
- Avoid horseplay or practical jokes.
- Start work on any machine only after safety procedures and requirements have been explained.
- Avoid working alone after normal office hours. Work-related events occurring in the evening should be attended by at least two employees.

## 4.1 Smoke-Free Workplace

CHDC of North Richmond is a smoke-free facility. Smoking (including the use of electronic cigarettes, vaporizers and any similar devices) is not permitted in any of the buildings owned, operated, or leased by CHDC. Violation of this policy may result in termination of employment.

Smoking is permitted outside the facility in a designated area and smokers are required to dispose of their smoking devices appropriately.

## 4.2 On-The-Job Injuries and Illnesses

CHDC is committed to preventing accidents and workplace injuries and has a comprehensive program to handle work-related injuries. Employees who witness any medical emergency on-the-job should call "911" immediately. Employees who are injured on-the-job or suffer a work-related illness must report it immediately to their supervisor, a Director or Human Resources.

Employees will either be provided with a claim form or obtain the necessary information to complete the claim process. This claim information must be reported to CHDC's workers' compensation insurance carrier within 24 hours of most injuries and illnesses. Unless there is an emergency, employees will be directed to the Kaiser industrial injury clinic for treatment.

Workers' compensation insurance benefits cover eligible work-related injuries and illnesses. In the event that a work-related injury or illness requires time off from work on an occasional or sporadic basis for treatment, employees are to notify their supervisor and the Executive Director in advance and schedule appointments consistent with business needs. If the injury or illness requires an extended period of time off (e.g., more than 5 consecutive work days), a Workers' Compensation Leave of Absence may be taken. For further information, see below.

CHDC recognizes the benefits of enabling employees to return to work following an injury or illness. In conjunction with our workers' compensation insurance carrier, we will thoroughly review available jobs and job functions that can be performed on a modified or light duty basis. For more information about return to work, contact Human Resources.

## 4.3 Workplace Violence Prevention

CHDC is committed to providing a safe, violence-free workplace. CHDC strictly prohibits employees, consultants, contractors, clients, visitors, volunteers or anyone else on CHDC premises (including premises of CHDC projects) or engaging in a CHDC-related activity from behaving in a violent or threatening manner.

Disciplinary action, medical evaluation, mandatory referral to a mental health professional will occur and/or employment may be terminated for striking or otherwise assaulting another person; fighting or challenging another person to a fight; engaging in dangerous, threatening or unwelcome horseplay; bringing a gun, knife, explosive or other weapon or dangerous substance to work or to a work-sponsored event; threatening to harm another person in any way; or engaging in any activity that causes or may cause an unsafe work environment. Jokes about weapons, violence or the threat of violence are considered serious in the workplace and will not be tolerated.

Employees who believe they are the victim of threatening behavior, harassment, or other violence or threat of violence, or are witness to this behavior, must report it immediately

to their direct manager, a Director or Human Resources. If there is an emergency situation, contact the local police department immediately. Employees must notify Human Resources if any restraining order is in effect, or if a potentially violent non-work-related situation exists that could result in violence in the workplace.

CHDC will conduct an investigation into all complaints or reports of violence, threats or other conduct that endangers the safety and security of others in the workplace. Employees are expected to cooperate in any investigation. Depending on the particular circumstances, violence prevention specialists may conduct on-site investigations and make recommendations. Based on the results of the investigation, CHDC will take appropriate action to ensure workplace safety, which may include corrective action, mandatory psychological counseling, disciplinary action, suspension or termination. With regard to violations of this policy by non-employees, CHDC will take appropriate corrective action. CHDC may also obtain a temporary restraining order as warranted, and take any other necessary steps, such as increased security personnel or other precautions.

Retaliation of any kind will not be tolerated against any individual for raising a complaint or concern or against any individual who participates in an investigation. If employees feel that they are being or have been retaliated against, they should inform their direct manager, a Director or Human Resources immediately.

Non-employees engaged in violent acts on premises owned, operated, or leased by CHDC of North Richmond will be reported to the proper authorities.

## 4.4 Driving Requirements

Employees who are required to drive for CHDC business must maintain a valid driver's license at all times and will be required to show proof of a valid driver's license prior to the first day of employment as well as upon request. Employees must also show proof of current adequate automobile insurance coverage. Employees must inform their manager when their driver's license has been suspended or revoked or if there is a loss of insurance coverage.

CHDC retains the right to transfer, suspend or terminate an employee whose license is revoked, who fails to maintain insurance coverage, who is uninsurable under the company's policy, or who fails to maintain an acceptable driving record.

CHDC prohibits employees from using a cell phone or any wireless or electronic device to conduct business while driving. This includes reading or sending email or text messages or making and receiving calls during non-work hours or during their regular commute. In the event of an emergency, any call or message must be placed with a hands-free cellular telephone device according to California law. This includes personal and work calls. If a hands-free device is not available, employees may only make a call or send a message while driving for emergency purposes to a law enforcement agency, health care provider, fire department, or other emergency services agency or entity, according to the law.

However, regardless of the circumstances, including slow or stopped traffic, employees are required to pull off to the side of the road and safely stop the vehicle before placing or accepting a call or message, refrain from discussion of complicated or emotional matters and keep their eyes on the road. Special care should be taken in situations where there is traffic, inclement weather or the employee is driving in an unfamiliar area.

### 4.5 Drug & Alcohol-Free Workplace

The use of alcohol, illegal drugs, intoxicants, controlled substances, and certain prescription and over-the counter drugs, whether on or off duty, can impair employees' ability to work safely and efficiently. The Company prohibits the following:

- Possession, use, or being under the influence of or impaired by alcohol or a drug (whether illegal or legal), intoxicant, or controlled substance during working hours or on Company property.
- Operating a vehicle or other equipment while under the influence of or while impaired by alcohol or a drug (illegal or legal), intoxicant, or controlled substance during working hours or on Company property.
- Distribution, sale, manufacture or purchase--or the attempted distribution, sale, manufacture or purchase--of any drug, intoxicant, or controlled substance during working hours or while on Company property.

CHDC reserves the right to search employees and their personal belongings based upon reasonable suspicion of a violation of this policy. Employees who have been convicted of violating a criminal drug statute for a violation that occurred on property owned or occupied by the Company or during work hours are required to report it to their supervisor or manager within 5 days of the conviction.

Employees whose use of prescription drugs and/or over-the-counter drugs may impede their job performance should notify their supervisor or manager to determine if they can safely perform their duties.

Employees who violate this drug and alcohol abuse policy will be removed from the workplace immediately and are subject to disciplinary action, up to and including termination. The Company may also bring the matter to the attention of appropriate law enforcement authorities.

# Compensation and Payroll

## 5.0 Job Classifications

Federal and state laws require CHDC to classify jobs as overtime eligible or not and to pay employees in those jobs accordingly. Depending on the job responsibilities and applicable regulations, jobs are classified as either **Exempt** from overtime pay requirements (i.e., not eligible for overtime premium pay) or **Nonexempt** (i.e., eligible for overtime premium pay). If you are classified as a Nonexempt employee, you will be paid according to the number of hours worked. If you are classified as an Exempt employee, you will be paid a salary (a flat rate not dependent on the number of actual hours you work). An Exempt employee's weekly salary is subject to deductions in full-day increments for days in which the employee has been absent and does not have sufficient vacation or sick time or works less than a full week during the initial or final weeks of employment, or for a full week in which the employee has performed no work.

If employees believe that an improper deduction from their salary has been made, they should immediately report this information to Human Resources.

Jobs are also classified as Full-Time (regularly scheduled to work 40 hours per week), Part-Time (regularly scheduled to work less than 40 hours per week), or Temporary (positions on a specific assignment or project basis to be completed within a specified period of time). CHDC also has certain service providers, such as volunteers, consultants and contractors, who are not employees.

## 5.1 Work Schedules

CHDC's regular office hours are Monday through Friday from 9:00 a.m. to 5:00 p.m. Full-time employees are generally scheduled to work from 8:30 a.m. to 5:00 p.m. Work schedules are based on department or office functions and individual job responsibilities, which may vary between departments and employees. All schedules are subject to change and require a manager's approval. Full-time employees are expected to work forty (40) hours per week. Part-time employees work according to their pre-arranged schedules, except during holiday weeks.

## 5.2 Pay Periods and Paydays

For payroll purposes, the work week is a fixed, seven-day period that begins at 12:01 a.m. each Monday and ends at 12:00 a.m. each Sunday.

Employees are paid on a bi-weekly basis. The pay period consists of two weeks, beginning on a Monday and ending on Sunday of the following week. Paydays are on the Wednesday following the end of the pay period. There are 26 pay periods per calendar year. If a payday falls on a holiday, paychecks are available the day before the holiday.

## 5.3 Paychecks and Deductions

CHDC encourages employees to sign up for direct deposit. Paychecks may be picked up from your immediate supervisor or Accounting. When employees are absent on a payday, their paycheck will be held until they return to work unless they have provided written authorization for another person to pick up the check.

CHDC does not cash checks for employees or provide or authorize advance salary payments.

The Company is required by law to make certain payroll deductions, including federal, state and local income taxes, and your contribution to Social Security. Other deductions are authorized by you, such as for benefit participation. These deductions will be itemized on your check stub. If you wish to modify the number of exemptions you claim, please request a new W-4 form from Accounting.

Employees are required to immediately report any errors on their paycheck to their immediate supervisor or to Accounting.

## 5.4 Timekeeping and Time Off Records

Employees must complete an electronic timesheet, which is approved by their immediate supervisor. They must accurately record their actual work time, for example, at the beginning and end of each shift, when leaving the building for any non-business reason and during meal periods.

If an employee fails to record their actual work time, or there is any error with their time, notify Human Resources or a Director immediately. Employees who have forgotten to record their time must notify their supervisor or Accounting immediately but no later than the start of the next work day.

Employees are strictly prohibited from working off-the-clock before their work shift begins or after their work shift ends. All time worked must be reported.

Falsifying time entries or recording time entries for other employees is strictly prohibited and may result in disciplinary action, up to and including termination of employment.

## 5.5 Overtime Premium Pay

When operating requirements or other needs cannot be met during regular working hours, nonexempt employees may be scheduled to work overtime. When this is required, employees will be notified in advance, unless it is an emergency. All overtime work must be authorized in advance by an employee's immediate supervisor or the Executive Director. Working overtime without prior authorization may result in disciplinary action.

Nonexempt employees will be paid 1.5 times their regular hourly rate for all hours worked in excess of 40 in a workweek or in excess of eight hours in a workday or for the first eight hours worked on the seventh consecutive day of a workweek and will be paid two times their regular hourly rate for all hours worked over twelve in a workday or over eight hours on the seventh consecutive day of a workweek, and as otherwise required by applicable state and federal law.

## 5.6 Meal and Rest Periods

All employees are encouraged to pause during the workday to rest and give eyes, hands, mouth, and ears a break. Nonexempt employees are provided unpaid 30 minute meal periods, in which they are relieved from duty, for each work shift of more than five hours. Nonexempt employees working more than ten (10) hours in a single shift will receive a second 30-minute meal break, which should be taken no later than the end of the 10th hour of work. Your manager will advise you of the scheduling of your meal period, but it generally is to be taken approximately in the middle of the workday (before the 5th completed hour of work). Employees must record the time that they stop working for their meal period and the time that they resume working.

Nonexempt employees may not skip their meal period as a way of shortening their workday. There are only two scenarios when employees may waive their meal break, which requires their manager's written authorization: 1) when an employee's total shift is 6 or less hours and 2) when an employee's total shift is 12 or less hours and the employee took their first meal period prior to their 5th hour of work in the shift. Contact your manager or HR for information on the specific procedures to follow to waive a meal period.

Employees who fail to comply with the meal break policy may be subject to disciplinary action.

Nonexempt employees are also provided a 15-minute paid rest period if their work day is at least 3.5 hours, a second 15-minute period if their work day is from 6 to 10 hours, and a third ten-minute period if their work day is over 10 hours. Rest periods are to be taken in the middle of each work period (e.g., morning and afternoon) as scheduled by your Manager, and are paid time. Rest periods may not be waived for any reason. Employees who fail to comply with the rest break policy may be subject to disciplinary action.

We ask that all employees coordinate lunch and rest breaks with coworkers to ensure adequate coverage for all functions.

For any employees (Exempt and Nonexempt) who work outdoors, they are allowed and encouraged to take cool-down rest in the shade for a period of no less than five minutes to protect themselves from overheating, also referred to as a recovery period. For safety and scheduling purposes, employees must notify their immediate supervisor of the need to take a cool-down break.

If you believe that you were not provided or were prevented from taking a meal or rest break, notify Human Resources immediately but no later than the end of the pay period. If

not reported, the Company will assume that you were provided with all applicable meal and rest breaks.

If you believe that a supervisor or anyone else is interfering with any employee's ability to take a full, uninterrupted meal break and full rest breaks or is pressuring any employee to work off-the-clock or otherwise inaccurately report time worked should immediately report this to Human Resources. Any complaints will be promptly investigated and rectified.

### 5.7 Make-up Time

Nonexempt employees may make up work time that is or would be lost as a result of personal obligations if the time is made up during the same workweek in which the work time is lost. To do so, employees must obtain pre-approval in writing from their supervisor. If make-up time results in a work shift of up to 11 hours, employees will not be paid overtime premium pay for this shift, unless they work more than 40 hours in the workweek.

### 5.8 Wage Garnishment

CHDC is required to comply with court orders for wage garnishment, which reduces an employee's take-home pay.

### 5.9 Compensation Policy

CHDC adheres to the compensation principles of internal and external equity, consistent with all applicable legal requirements.

There is an established salary range for each job classification based on the duties, responsibilities, knowledge, and skills required of the position, which allows an employee to progress, based upon job performance. CHDC's job classification system provides differentials among positions of varying responsibilities. Salary ranges are based on these differences.

In general, CHDC evaluates compensation during the performance review process. Merit increases and cost of living adjustments, though not guaranteed, typically go into effect at the time of the performance review.

# Time Off

## 6.0 Holidays

CHDC observes the following holidays:

New Year's Day
Martin Luther King's Birthday
President's Day
Memorial Day
Independence Day
Labor Day
Veterans Day
Thanksgiving Day
Christmas Day

Holidays that fall on a Saturday are observed the Friday immediately before the holiday. Holidays falling on a Sunday are observed the following Monday.

Regular full-time and part-time employees are paid for a CHDC holiday if they are regularly scheduled to work on the day on which an observed holiday occurs. Eligible employees will be paid their regular base pay for the holiday according to the regularly scheduled hours they would have worked that day.

During weeks in which there is a company holiday, part-time employees' schedules may be adjusted to manage workload requirements and provide sufficient office coverage during official business hours.

Employees who are on inactive, unpaid or partially unpaid status, including leaves of absence periods, or whose time off has not been authorized, are not paid for holidays that occur during such inactive period.

## 6.1 Vacation Leave

Full-time employees accrue vacation leave as follows:

| Length of Employment | Vacation Accrual Rate Per 12-Month Period* | Maximum Accrual Cap |
|---|---|---|
| Date of hire to end of 1st year | 10 days (accrued at the rate of 10/12 of one day for each full month of active employment) | 15 days |

| | | |
|---|---|---|
| Year 2 to end of 4th year | 12 days (accrued at the rate of one day for each full month) | 18 days |
| Year 5 and beyond | 15 days (accrued at the rate of 1.25 days for each full month) | 22.5 days |

*Part-time employees who regularly work at least 20 hours per week accrue vacation credits on a pro-rata basis. No other classification of employees earns vacation time.

Vacation credits continue to accrue, up to a maximum of 1.5 times the employee's annual vacation accrual rate. Once the maximum accrual is reached, no further vacation credits will accrue until some of the credits are used.

Vacation time may be taken after employees have been employed for 180 days, and may only be taken if accrued in advance. For scheduling and planning purposes, all employees must provide reasonable advance notice of their request for vacation time, which must be pre-approved by the Department Head and Executive Director or Deputy Director. Employees are also expected to inform their immediate supervisor of their vacation requests sufficiently in advance to assure that their responsibilities are properly carried out during their absence.

Upon termination of employment, employees are paid all accrued and unused vacation.

Vacation credits do not accrue while employees are taking a leave of absence or are otherwise on unpaid status. A company holiday that falls during a vacation period will be treated as a holiday and not as a day of vacation taken.

## 6.2 Sick Leave

Full-time employees accrue paid sick leave credits at the rate of one (1) day per month of active employment, up to a maximum of 21 days. Part-time employees accrue sick leave credits on a pro rata basis. Sick leave does not accrue during leaves of absence or other inactive or unpaid periods.

Subject to proper notification and medical certification, sick leave may be used in the event of an employee's own illness or injury or preventive care, or that of a family member, including time off to seek medical attention, psychological counseling, and safe housing due to domestic violence, sexual assault or stalking. "Family member" is defined as an employee's spouse, registered domestic partner, child, sibling, parent, grandparent, grandchild, or legal guardian and includes biological, adoption, step or foster care relationships.

All other employees (e.g. temporary employees) who work in California for 30 or more days within one year from their date of hire will receive an allotment of three (3) days (or 24 hours) of paid sick leave for the employee's own illness or injury, or that of a family

member as defined above. At the end of each calendar year, any unused paid sick leave will not roll over. At the beginning of each calendar year, the employee will receive an allotment of three days (or 24 hours) of paid sick leave. The allotment will occur on the date of hire but sick leave may not be used until the employee has completed 90 days of employment.

Employees who separate from the Company and are rehired within one year from the date of separation will have their previously accrued and unused paid sick days reinstated and will be eligible to use their previously accrued sick days.

Employees must notify their supervisor or Department Head reasonably in advance of any scheduled medical appointments including the specific date and time of the appointment. Employees may be required to provide a medical provider note for each appointment indicating the date and time of the appointment.

For emergency situations, where advance notice is not possible, employees must call into their supervisor or Department Head if their supervisor is not available, at least one (1) hour before their regular work schedule would begin. Emergency situations are those where an employee or family member experiences a sudden onset of a medical condition, a flare-up of an on-going medical condition, or an accident or other unexpected occurrence.

For absences that are more than three (3) consecutive scheduled work days, employees must provide medical certification to Human Resources that indicates specifically that the employee is unable to work on the dates in question, the dates and times of any and all medical appointments or treatments, a return to work date and any work restrictions. If an employee's or family member's illness is expected to last more than three working days, employees must contact Human Resources, who will determine if a leave of absence is appropriate.

Employees should notify their immediate supervisor when sick leave is used for family illness purposes.

Unused sick leave credits are not paid out upon termination.

### 6.3 Personal Days

Full-time employees may accrue up to two (2) Personal Days each calendar year. Part-time employees who regularly work at least 20 hours per week may accrue such Personal Days on a pro-rata basis. These days may be taken for religious holidays or other personal occasions. Accrued and unused Personal Days can be carried over at the end of the year, but once the maximum accrual is reached, no further Personal Days will accrue until some of the credits are used.

For scheduling and planning purposes, all employees must provide reasonable advance notice of their request for Personal Days, which must be pre-approved by their Department

Head and the Executive Director or Deputy Director. Personal Days must be taken in full-day units and not hourly increments.

### 6.4 Bereavement

It is the policy of CHDC to grant up to four (4) workdays of paid time off in the event of the death of an immediate family member. An immediate family member for this policy includes: spouses, registered domestic partners, siblings, children, parents, in-laws, and grandparents.

### 6.5 Voting Time Off

If you do not have sufficient time to vote in a statewide public election before or after working hours, you may do so at the beginning or end of your shift and the Company will pay you for up to two hours for this purpose. You must provide at least two days' advance to the Deputy or Executive Director.

### 6.6 Jury Duty/Witness Duty/Court Hearings

CHDC recognizes and supports all employees' civic responsibilities associated with jury and witness duty. Employees receive their regular pay while serving on a jury, less the jury service amounts they receive from the government.

Employees may use their accrued Vacation Leave during time off to appear as a witness in court in a non-official (non-job related) capacity pursuant to a subpoena. If an employee is a victim of a crime, or is needed to assist a family member who is a crime victim or if an employee needs time off for legal proceedings (e.g. to obtain a temporary restraining order) or medical treatment related to domestic violence, sexual assault or stalking, reasonable time off will be provided.

Employees must submit a copy of the jury summons, subpoena or other court documentation to their immediate supervisor prior to the absence. Employees shall not be discriminated or retaliated against for taking time off for these purposes.

If your attendance at court is required for a partial day, you are expected to report to work for the remainder of that day. If your attendance is required for a full day, you are not expected to perform any work for CHDC for that day unless specifically requested to do so. Exempt employees will not have any partial days deducted from their salaries for this purpose.

### 6.7 Time Off for Military or Civil Service and Spousal Deployment

Military Leave is available to employees who are called for active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty, are absent from work for an examination to determine fitness for any of these types of duty, are called for short-term military duty, such as summer training, call to active duty for national disasters, riots, or other short-term emergency situations. Employees are to

submit all required medical and military-related documentation in a timely manner. CHDC will continue paying its portion of group health plan premiums for one month from the beginning of such Military Leave.

Military leaves of absence are unpaid and may not exceed five years on a cumulative basis, subject to certain exceptions that extend this period. Upon your release from military duty, you will be reinstated to at least a position of equivalent seniority, status and pay, along with the rights and benefits that you would have attained but for the military service (unless there is a legitimate business reason unrelated to the leave or your release was under dishonorable or punitive conditions).

Non-seniority benefits, such as Vacation and Sick Leave, will not continue to accrue during the military leave, however, your Vacation accrual rate may increase upon your return depending on your total years of service. Reinstatement will be made within a reasonable period of time from your notice of return from military leave. The Company will make reasonable efforts to enable you to qualify for reemployment. You will be provided with more information about the specific dates for application for reemployment and/or returning to work.

Employees required to attend yearly Reserve or National Guard duty may apply for an unpaid military leave of absence not to exceed 17 days (including travel). Employees who are members of the civil air patrol may take up to 10 unpaid days off per calendar year to participate in emergency operational missions. Notify the Department Head and Human Resources as far in advance as possible.

Employees who are members of the civil air patrol may take up to 10 unpaid days off per calendar year to participate in emergency operational missions. Eligible employees must notify their supervisor and Human Resources of the need to for leave as far in advance as possible.

If an employee's spouse is a member of the Armed Forces who has been deployed during a period of military conflict to an area designated as a combat theater or combat zone by the President, or their spouse is a National Guard or Reserves member who has been deployed during a period of military conflict, the employee may take up to ten (10) days of unpaid leave during the period in which their spouse is on leave from deployment (provided the employee regularly works an average of 20 or more hours per week). Employees must provide written notice of their request for leave at least two (2) business days from receiving official notice that their spouse will be on leave from deployment.

## 6.8 Time Off For School Activities of Children

Parents, guardians, or grandparents with custody of a child in kindergarten, grades 1-12, or a child care provider may take up to 40 hours per year of unpaid time to find or enroll a child in school or with a licensed child care provider, to participate in a school or child care provider activity, or to address a child care provider or school emergency. School activity time off is limited to eight hours in any calendar month. Employees must provide advance notice to their Department Head and may be asked to provide documentation of the reason

for the time off. Employees may use accrued vacation time for this purpose. Paid Sick Leave may be used for time off due to a child's illness.

If both parents work for CHDC, only one parent -- the first to provide notice -- may take the time off, unless CHDC approves both parents taking time off simultaneously.

Employees may also be granted unpaid time off to attend a school conference involving the possible discipline or suspension of their child. Notify the Department Head if time off is needed for this reason.

### 6.9 Leave Without Pay

Leave without pay for up to five (5) working days may be granted at the discretion of the Executive Director. It is intended to cover situations in which an employee has exhausted vacation and sick leave credits and needs additional time off for personal or other reasons that are not covered by another form of time off or leave of absence. These requests will be handled on a case-by-case basis and will depend on business and organizational needs.

### 6.10 Wage Replacement Benefits

Employees may be eligible for wage replacement benefits according to State Disability Insurance (SDI) or Paid Family Leave (PFL). SDI and PFL are state-mandated partial income replacement programs funded through employee-paid taxes. Following a 7-day eligibility period, SDI provides weekly benefits from the State for periods in which you are unable to work due to a "disability." PFL provides weekly benefits for up to 6 weeks (and up to 8 weeks beginning July 1, 2020) in a 12-month period for time off due to a family member's serious health condition or for new child bonding time. Employees must use 80 hours of accrued vacation (or up to this amount if the total accrued vacation hours are less than 80) prior to becoming eligible to receive PFL benefits. Employees may be paid their accrued vacation during time off in conjunction with your receipt of wage replacement benefits.

### 6.11 Pregnancy Disability Leave

If you are disabled by pregnancy, childbirth or related medical condition and unable to perform any one or more of the essential functions of your position without undue risk to yourself, the successful completion of your pregnancy or to other persons because of pregnancy or childbirth, or because of any medically recognized physical or mental condition that is related to pregnancy or childbirth, or you must be absent for prenatal care or post-partum recovery, you may take up to four months of unpaid job-protected leave, depending on the period of actual disability. Medical certification is required and employees are to provide as much advance notice as possible prior to the beginning of the time off period. There is no length of service requirement for eligibility.

This time off is unpaid meaning that your regular salary or pay will be suspended during your time off. However, employees may elect to use their accrued sick and/or vacation leave credits to pay them during the leave period. California State Disability Insurance

(SDI) benefits may be available as wage replacement benefits during some or all of this time period. It is the employee's responsibility to file a claim with the State for these benefits. If SDI benefits are paid to the employee, CHDC will pay out the employee's sick and vacation leave credits, if elected, in an amount, which makes up the difference between the employee's regular amount of wages and the SDI benefits received from the State.

CHDC will continue paying its usual portion of group health plan benefits for employee coverage during the Pregnancy Leave up to a maximum of 4 months unless the employee has notified CHDC of an intent not to return to work. Employees who pay additional amounts (for example, for dependent care) before the leave period, will continue paying the same amount during the leave period.

You will continue paying the same portion of group health plan premiums as prior to the leave period, which will be deducted from vacation or sick leave paid to you. If premiums are raised or lowered during the leave, you will pay the new premium rates. If your vacation or sick leave credits are exhausted or you are otherwise on unpaid status, you will be provided with written confirmation of the arrangements for your payment of premiums up to the maximum period in which the Company pays its portion of premiums. You may also pre-pay your premiums before your leave begins.

Your group health benefits will end on the last day of the month after one of the following events: 1) you have been on leave and received continued benefit coverage for up to 4 months; 2) your employment ends; or 3) you have failed to pay premiums in a timely manner. The Company may recover your share of any premium payments missed (or unpaid) by you for any period during which the Company paid your share. If group health benefits coverage lapses due to nonpayment, upon your return from leave, the Company will restore the coverage and benefits equivalent to those you would have had if leave had not been taken and the premium payment had not been missed. The Company may recover premiums it paid during your Pregnancy Disability Leave if you fail to return from leave so long as the failure is not because you are continuing on an authorized leave, you are unable to work because of continuing medical issues relating to pregnancy or other circumstances beyond your control.

You will be mailed information about your rights to continue group health coverage under COBRA after the qualifying event.

Before returning to work, you must provide a release to return to work from your health care provider which identifies any medical restrictions or job accommodations. If there are restrictions, the Company will determine if they can be accommodated without undue hardship according to its legal obligations.

Employees who will be expressing milk upon their return to work from Pregnancy Leave should contact HR for information regarding lactation accommodations and to submit a request. The Company will respond to such requests within five business days and will engage in an interactive dialogue with the employee. The Company will provide a safe, clean area, free of toxic and hazardous materials, in close proximity to your work area, as

well as reasonable break time. Employees requesting such an accommodation are protected from retaliation. In the event the Company is unable to provide such a location because of undue hardship, it will notify the employee.

If you have any issues or concerns regarding your request or the accommodation provided, contact the Executive or Deputy Director or you may notify the Labor Commissioner.

### 6.12 Baby Bonding Leave

Employees who have been employed for at least one year, worked at least 1,250 hours in the year preceding the leave and so long as the Company has 20 or more employees are eligible to take up to 12 work weeks of job-protected leave for new child bonding time following the birth, adoption or foster child placement of a child (which must be taken during the first year of the birth or placement of the child). If both parents are employed by the Company and meet the eligibility criteria, they may take a combined total of 12 work weeks of leave. Leave may be taken on an intermittent basis only if consistent with the business needs of the Company and approval of your supervisor or manager. The basic minimum duration of such a leave is two weeks. If you need to take an intermittent leave for a period less than two weeks, contact Human Resources. We can accommodate such requests up to two times.

Baby Bonding Leaves are unpaid, meaning that your regular salary or pay will be suspended during your time off. However, you may be eligible for income through the California Paid Family Leave program (PFL), administered by the state Employment Development Department (EDD). This program pays eligible employees a predetermined weekly benefit. It is your responsibility to complete and submit the claim form to the Employment Development Department. Paid Family Leave benefits are payable for up to six (6) weeks of time for new child bonding time.

If PFL benefits are paid to the employee, CHDC will pay out the employee's sick and vacation leave credits, if elected, in an amount, which makes up the difference between the employee's regular amount of wages and the PFL benefits received from the State.

The Company will continue paying its portion of premiums for your group health plan benefits for up to 12 work weeks. You will continue paying the same portion of group health plan premiums as prior to the leave period, which will be deducted from vacation or sick leave paid to you. If premiums are raised or lowered during the leave, you will pay the new premium rates. If your vacation or sick leave credits are exhausted or you are otherwise on unpaid status, you will be provided with written confirmation of the arrangements for your payment of premiums up to the maximum period in which the Company pays its portion of premiums. You may also pre-pay your premiums before your leave begins.

Your group health benefits will end on the last day of the month after one of the following events: 1) you have been on leave and received continued benefit coverage for up to 12 work weeks; 2) your employment ends; or 3) you have failed to pay premiums in a timely

manner. The Company may recover your share of any premium payments missed (or unpaid) by you for any period during which the Company paid your share. The Company may recover premiums it paid during your leave if you fail to return from leave so long as the failure is not because you are continuing on an authorized leave, you are unable to work because of medical issues or other circumstances beyond your control.

You will be mailed information about your rights to continue group health coverage under COBRA after the qualifying event.

### 6.13 Workers' Compensation Leave

Employees who are unable to perform the essential functions of your job for more than five (5) consecutive work days due to a work-related injury or illness that is covered by CHDC's workers' compensation insurance or are receiving payment of wage replacement benefits through CHDC's workers' compensation insurer may take a Workers' Compensation Leave. To be eligible, there is no length of service requirement, but you must submit all required medical and related documentation in a timely manner.

Employees do not receive their regular pay during Workers' Compensation Leaves. Beginning on the first day of the leave and continuing through the waiting period for workers' compensation disability benefits, the Company will deduct accrued sick or vacation leave in full-day increments.

CHDC will continue paying its usual portion of benefit plan premiums during this leave period for employee coverage for up to 12 work weeks. You will continue paying the same portion of group health plan premiums as prior to the leave period, which will be deducted from any sick or vacation leave paid to you.

In general, a workers' compensation professional will be assigned by the company's insurer to coordinate with HR regarding each employee's return to work following a work-related injury or illness. You are expected to fully cooperate in this process, which may include obtaining medical certifications from your health care provider.

If you are able to return to your job without any work restrictions before your leave period expires, notify HR and your supervisor of your specific return to work date. You may be required to submit a medical certification that you are able to return to work.

If you are able to return to your job before your leave period expires, but only with work restrictions, you must provide written documentation from your health care provider of the restrictions and the expected duration. HR may need to provide the health care provider with specific information about your job duties and will coordinate with your supervisor or manager, as necessary. If the work restrictions are of a permanent nature, the company will determine and provide reasonable accommodations, consistent with its legal obligations. If the work restrictions are of a temporary nature, the company will determine whether and for how long reasonable accommodations can be made.

Each workers' compensation leave is handled on a case-by-case basis with respect to the total amount of leave based on the job, the business requirements and related factors. The following are general guidelines. If you are unable to return to work at the end of your approved leave period and your medical status continues to be rated as "temporary disability" or other rating having similar meaning and effect, your Workers' Compensation Leave may be extended until a determination can be made of your return to work status. When your medical status is rated as "permanent," "medical maximum improvement," or other rating having similar meaning and effect, and you are unable to return to an open position for which you are qualified or reasonable accommodations cannot be made, your employment will be terminated.

### 6.14 Time Off Accommodations for Employees with Disabilities

Employees who require additional time off beyond the maximum leave of absence period for any type of medical-related leave or who need to take time off and are not otherwise eligible for a leave should notify Human Resources. CHDC will comply with its legal requirements under the Americans with Disabilities Act, the California Fair Employment and Housing Act and any other applicable law or regulation and will make reasonable accommodations, as necessary. Time off as a disability accommodation must be a reasonable period that is finite in length (e.g., a particular date) so as to enable the employee to return to work and that does not create an undue hardship.

If you believe you are a "qualified individual with a disability" under the ADA or applicable state law, and you need an accommodation to perform the essential functions of your position, notify HR for information and assistance. Your health care provider will need to complete a medical certification regarding your medical restrictions and job accommodation recommendations. HR will provide these forms to you. After engaging in an interactive discussion with you regarding the requested accommodation, the company will determine what, if any, accommodations are reasonable and communicate its decision to you.

If your requested accommodation is a reduction in regular work hours, your pay may be reduced accordingly. Since each job accommodation is unique, certain restrictions may apply, such as requirements regarding additional medical certification or advance notice for absences.

CHDC will continue paying its usual portion of benefit plan premiums during this leave period for employee coverage for up to 12 work weeks. You will continue paying the same portion of group health plan premiums as prior to the leave period, which will be deducted from any sick or vacation leave paid to you.

### 6.15 Organ/Bone Marrow Donor Time Off

Employees who need time off in order to engage in organ donation may take up to thirty (30) work days of job-protected time off in any one-year period (measured from the start date of the leave and for 12 consecutive months thereafter). Such employees must use their

accrued sick or vacation time for the initial 14 days. The remaining leave period is paid, including through short-term disability benefits provided by State Disability Insurance. If medically necessary, employees may take up to an additional thirty (30) work days of job-protected time off during the same one-year period, which will be unpaid.

Employees who need time off in order to engage in bone marrow donation may take up to five work (5) days of job-protected time off in any one-year period (measured from the start date of the leave and for 12 consecutive months thereafter). Such employees must use their accrued sick or vacation time.

Employees must submit medical certification at the time of the requested leave or within two work days, which confirms their donor participation and demonstrates the medical need for it.

CHDC will continue paying its usual portion of benefit plan premiums during these leave periods for employee coverage. You will continue paying the same portion of group health plan premiums as prior to the leave period, which will be deducted from any sick or vacation leave paid to you.

### 6.16 Time Off Due to Domestic Violence or Sexual Assault

Unpaid time off is available for employees to seek medical attention for injuries caused by domestic violence, sexual assault or stalking (as those terms are defined by California law); to obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence or sexual assault; to obtain psychological counseling related to an experience of domestic violence or sexual assault; and/or to participate in safety planning and take other actions to increase safety from future domestic violence or sexual assault (including temporary or permanent relocation). Upon written request, the Company will make reasonable accommodations for the safety of such employees unless undue hardship would result.

The Company will take all reasonable steps to protect the privacy and confidentiality of the employee's personal situation. You will need to submit all required medical and related documentation or certification to Human Resources in a timely manner and provide as much advance notice as is feasible. Human Resources will notify you if this time off qualifies for a leave of absence and the impact on your benefits. As applicable, it will review reasonable accommodation alternatives with you and notify you of its determination in this regard.

Employees who are victims of domestic violence, sexual assault, stalking, or a crime (or whose family member is a victim of a crime) may take reasonable unpaid time off to obtain court orders for safety purposes. Employees may also take reasonable unpaid time off to attend court proceedings when they are the victim of a crime or their presence is needed to assist an immediate family member during court proceedings related to the crime or to attend other proceedings in which the right of the victim is at issue. You may need to submit court documentation to Human Resources.

## 6.17 Voluntary Entry Into A Drug or Alcohol Rehabilitation Program

Employees who voluntarily enter a drug or alcohol rehabilitation program may take unpaid time off to do so unless it would cause undue hardship to CHDC. Contact Human Resources for more information. Human Resources will notify you if this time off qualifies for a leave of absence and the impact on your benefits.

## 6.18 Other Types of Time Off And Accommodations

CHDC complies with all applicable federal and state laws and will make reasonable accommodations for qualifying employees for religious reasons, to obtain literacy assistance and other reasons protected by federal, state and local law. Contact Human Resources for more information.

# Employee Benefits

## 7.0 Group Health Benefits

CHDC has established a group benefits plan and pays a portion of the health insurance premiums, which generally includes regular full-time and part-time employees who work at least 20 hours per week. Employees pay the full cost for dependent care coverage. The specific eligibility and coverage requirements as well as plan administration and employees' rights and responsibilities under each plan are described in the benefit plan or trust documents, which are summarized in the Summary Plan Descriptions for each plan. These are the controlling legal documents in the event of any conflict or ambiguity.

## 7.1 Continuation of Health Benefits

If an employee loses health care coverage under CHDC's group health plan because of a reduction in hours of employment or the termination of employment (for reasons other than gross misconduct), the employee and/or his or her eligible dependents may be eligible to continue their medical coverage under CHDC's group health plan, at their own expense, for a specific period of time. Information will be mailed about these rights to continue group health coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (known as "COBRA coverage") after the qualifying event. The employee and his or her covered spouse and/or dependent children, if any, are entitled to continue coverage under CHDC's group health plan up to 18 months from the date of the qualifying event. The terms of such continuation coverage for registered domestic partners will depend on California law and the plan provisions. The employee or family member(s) must pay the full cost of coverage plus an administration fee.

The 18-month COBRA coverage period may be extended for the following reasons: death of the employee, divorce, legal separation, loss of dependent status, entitlement to Medicare, disability determination by Social Security, the employer's bankruptcy, or the birth or adoption of a child. California law provides that employees may extend COBRA coverage up to 36 months for medical coverage.

## 7.2 Expense Reimbursement

Authorized reasonable "out of pocket" business expenses are reimbursed to employees on a monthly basis. The Executive Director must approve out of pocket business expenses and local travel expenses.

Employees will be reimbursed on an "at cost" basis for authorized travel from the office to the point or points required by work assignment and return to the office. Employees must submit a *Claim for Travel and Mileage Reimbursement* to their immediate supervisor, on a monthly basis. Parking expense will be reimbursed to the extent that employees are working in the field and the location has no parking or free space is unavailable.

Employees will not be reimbursed for the cost of tickets issued because of parking and/or other traffic violations. Employees will not be reimbursed for any other travel related expenses.

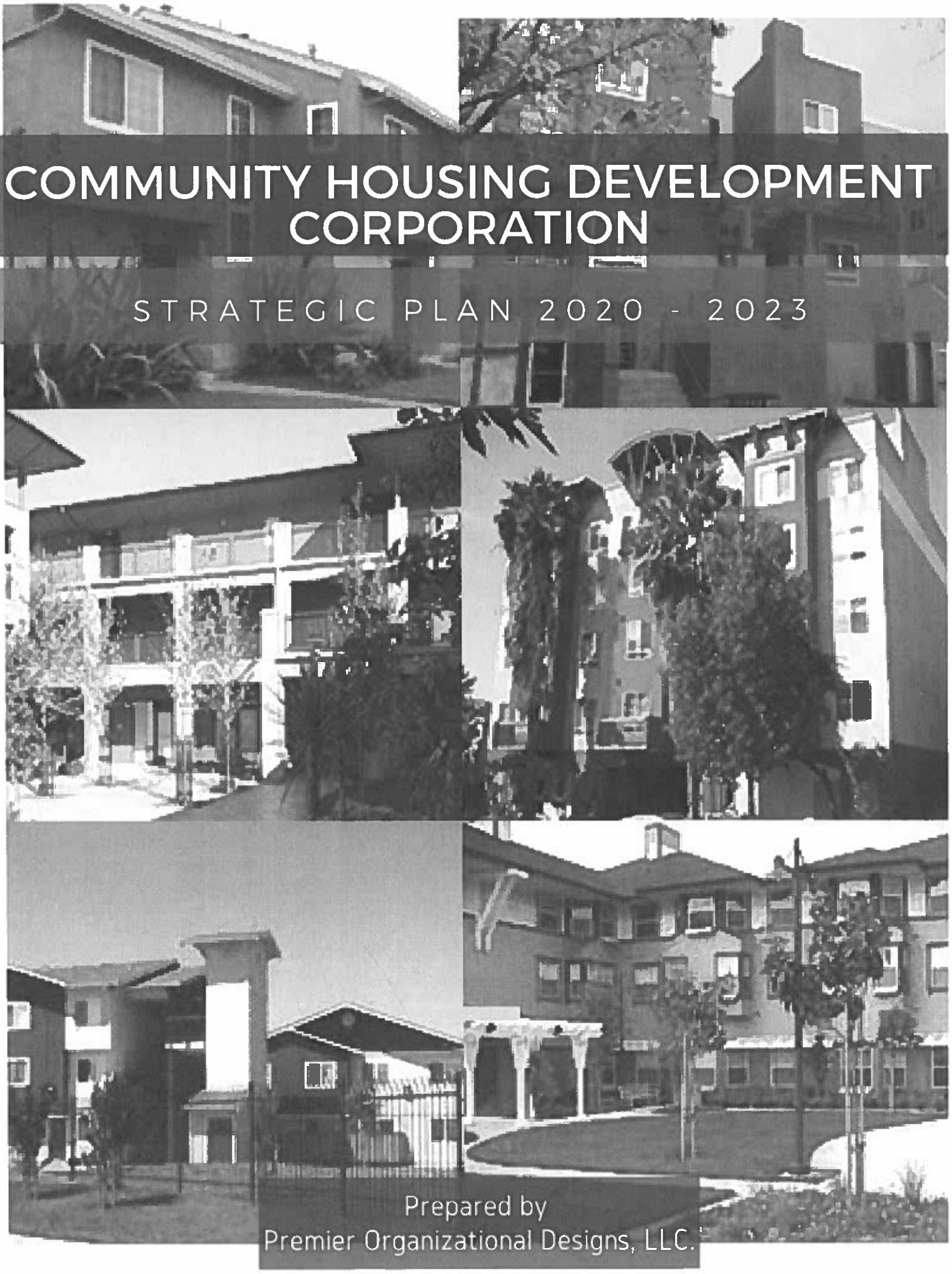
### 7.3 Retirement Plan and Other Benefits

Eligible employees may participate in a tax-deferred retirement plan (known as a Section 403b plan). For more information, contact HR.

CHDC offers other benefits that employees may elect, such as, life insurance and long-term disability insurance benefits.

# COMMUNITY HOUSING DEVELOPMENT CORPORATION

## STRATEGIC PLAN 2020 - 2023



Prepared by
Premier Organizational Designs, LLC.

# OUR MISSION, VISION VALUES

## CHDC'S BUILDING BLOCKS for BUILDING VIBRANT COMMUNITIES

**BUILDING VIBRANT COMMUNITIES** happen when many different services intersect in the right way. CHDC will create and sustain vibrant communities by working with many sectors of the community to collaborate to take the steps that allow sustainable growth to thrive.

**CHDC's approach:**

1. We serve low to moderate income families, seniors and families
2. We provide high-quality affordable housing
3. We provide economic development services
4. We provide additional supportive services

*For more information, visit www.communityhdc.org*

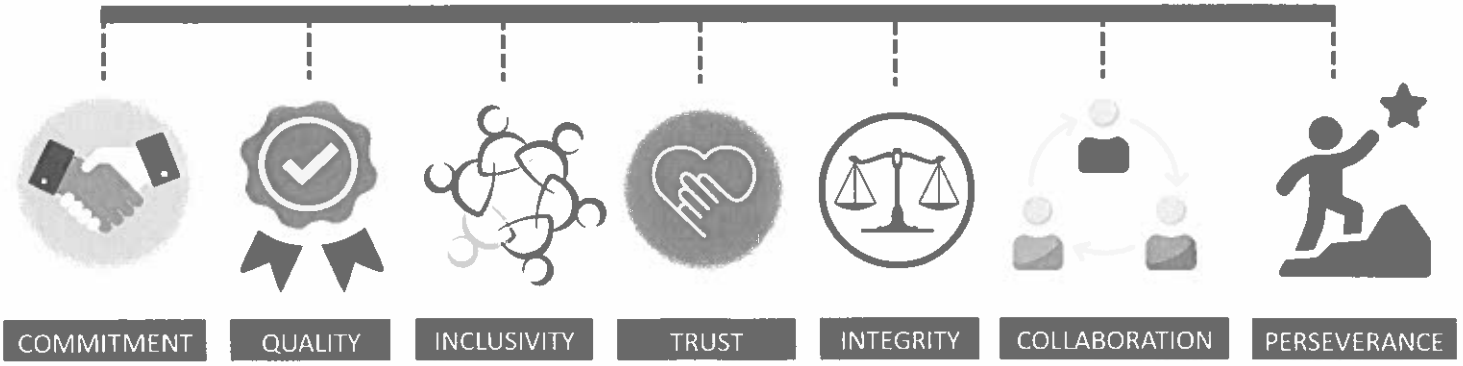
## OUR MISSION

To create and sustain vibrant communities for low to moderate income individuals, seniors and families by providing high quality affordable housing, economic development and supportive services.

## OUR VISION

CHDC envisions vibrant, safe, diverse communities throughout our region where people of all ages can thrive. . . communities free of blight, crime and pollution where involved residents have access to affordable housing, education, healthcare and economic opportunity.

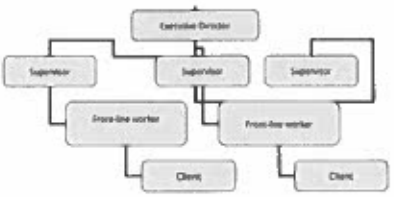
## OUR VALUES



# OUR STRATEGIC FOCUS

## STAFF AND LEADERSHIP DEVELOPMENT AND ACCOUNTABILITY

Enhancing skills will positively impact the team's accountability as well as the organization's brand.



## ORGANIZATIONAL RESTRUCTURE AND FILL KEY POSITIONS

A functional restructure will increase organizational efficiency and effectiveness.

## ENHANCE REPUTATION THRU BRANDING, MARKETING, & PR

Enhanced marketing and public relations will allow those we serve to "know" the organization.

## EXAMINE ORGANIZATIONAL CULTURE AND IMPACT TO ORGANIZATION

An organization's culture drives engagement, brand, accountability and results.

## RESEARCH AND IDENTIFY INNOVATIVE HOMEOWNERSHIP TRENDS

The homeownership market is changing. CHDC must change and innovate to remain relevant.

## DEVELOP PARTNERSHIP TO ACHIEVE STRATEGIC REAL ESTATE GROWTH

Leveraging strategic partnerships with develope can positive impact CHDC's growth.

## AUDIT TECHNOLOGICAL CAPABILITIES AND USE OF DIGITAL TOOLS

Ensure CHDC is utilizing the latest technology and digital tools for every department.

## SOLIDIFY DIVERSITY, EQUITY AND INCLUSION AS A WAY OF DOING BUSINESS

Continue REDI work and infuse it into the fabri of the organization's operations and culture.

## BUSINESS CONTINUITY AND CONTINGENCY PLAN

- Prevention Strategies
- Response Strategies
- Recovery Strategies

# STRATEGY #1

*Staff and Leadership Development and Accountability*

## CHDC Leadership Competency Model

| | | |
|---|---|---|
| Leading and Managing Organizations | Strategic Thinking<br>Long-term visionary<br>Decision Making | • Establishes strategic performance measures to allow the organization to continually assess and adjust program direction<br>• Provides guidance and builds coalitions to improve efficiency and effectiveness |
| Professionalism | Professional Attire<br>Professional Demeanor<br>Positive/Solution Orientation | • Enhances individual brand with executive attire, attitude and demeanor<br>• Exemplify professional etiquette in meetings thru communication, problem solving and positive collaboration |
| Managing Self | Emotional Intelligence<br>Communicating Effectively<br>Influence | • Exhibits self-awareness, emotional self-management, relationship building<br>• Adjusts communication based on stakeholder's communication style and needs |
| Leading and Managing People | Accountability<br>Conflict Management<br>Coaching<br>Developing Others | • Exceptional responsiveness and delivering results<br>• Recognizes and approaches conflict with a focus on building solutions<br>• Assist staff In reaching professional development goals |
| Managing Projects | Team Building<br>Delegation<br>Managing Project Deliverables | • Encourages team collaboration and manages team to a successful outcome<br>• Delegates tasks and holds staff accountable to delivering results |

## GOALS

1. DEVELOP A STRUCTURED LEARNING & DEVELOPMENT STRATEGY
2. ENHANCE LEADERSHIP'S PRESENCE, SKILLS & COMPETENCIES

## OUTCOMES

Cultivate a learning environment in which staff and leadership are challenged to enhance their existing skill level and are accountable for enhancing skills and meeting learning outcomes and ensure 90% of staff receive industry, interpersonal and leadership training.

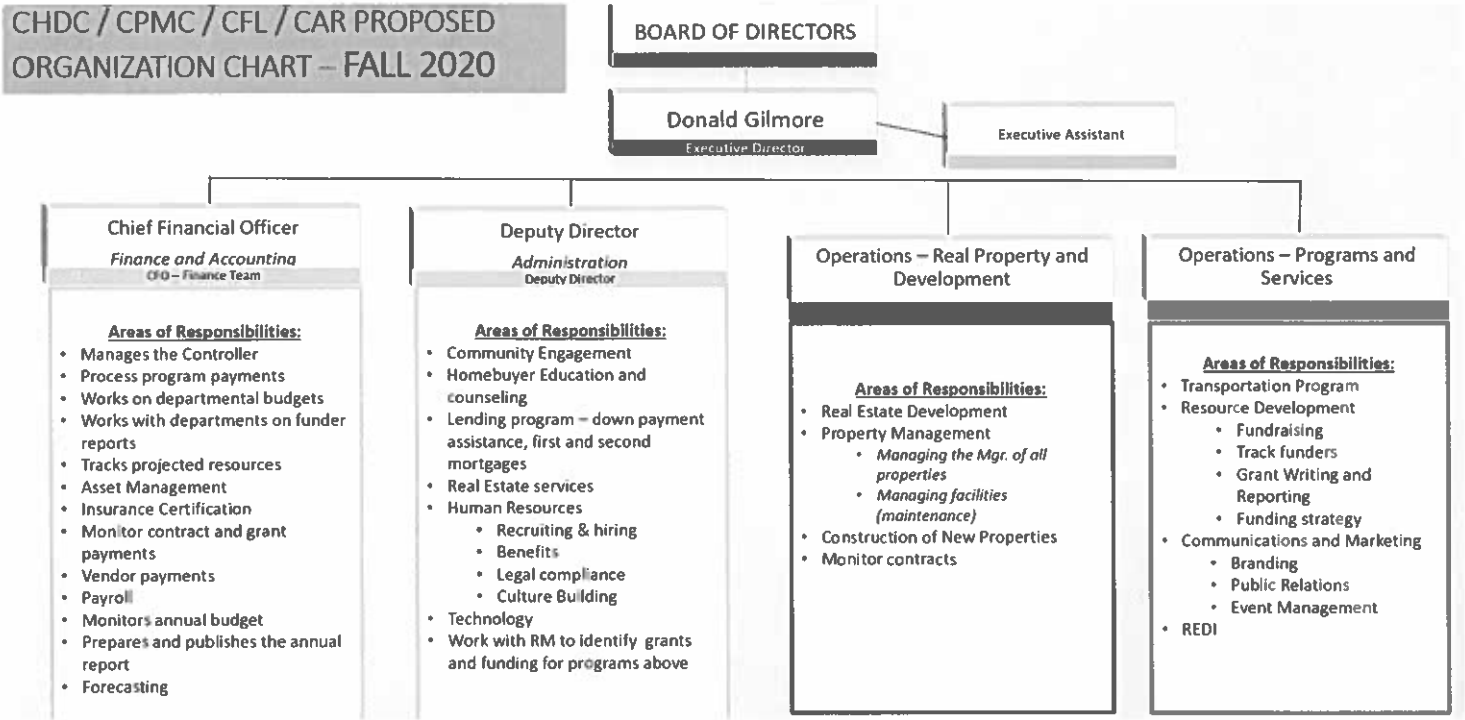
By June 30, 2021, all relevant training and professional improvements, including behavioral enhancements will be completed by CHDC leaders, which will enhance CHDC's external brand.

## BENEFITS:

- Ensures knowledge and skills stay relevant and allows employees to be aware of industry changes.
- Enhances the reputation of the organization by having highly skilled and qualified staff.
- Employees feel valued. When you have an organization full of valued individuals, morale — and, in turn, productivity — will be at an all-time high.

# STRATEGY #2

*Organizational restructure, solidify key positions, & develop succession plan*




## GOALS

1. ORGANIZATIONAL RESTRUCTURE BY FUNCTIONAL EXPERTISE
2. FILL KEY POSITIONS THAT ARE INTEGRAL TO CHDC'S GROWTH AND PERFORMANCE
3. DEVELOP A FORMAL SUCCESSION PLAN

## OUTCOMES

1. Restructure the operations of the organization to provide a strategic functional alignment which will enhance output, performance and accountability. Implementation of the nev structure will occur beginning 2021 and be completed by the end of the 2021 fiscal year *(with additional changes as retirements occur.)*
2. Complete a workforce analysis for, and fill key positions tha currently have an impact on CHDC's operational and administrative efficiency and effectiveness. Key positions include: Resource Development Manager, HR Generalist, Marketing Coordinator and Real Estate Project Manager.
3. Create a formalized succession and continuity plan by identifying potential successors to ensure the company will develop its next in line talent. To be completed by Q1, 2021.

### BENEFITS:

- Accountability increases – when aligned by function, CHDC can rapidly deploy people to address shifting business needs within each function.
- A succession and contingency plan protects the company's long-term success.

# STRATEGY #3

*Enhance reputation thru Community Engagement, Branding, Marketing and PR*

## GOALS

**HIRE RESOURCE FOR COMMUNICATIONS, MARKETING AND PR** 1

**EXPAND COMMUNITY EVENTS INTO ALL MARKETS SERVED BY CHDC** 2

## OUTCOMES

Hire an internal resource who has the responsibility to drive the communications, public relations and branding to help shape the reputation of the organization. This position will be responsible for enhancing the brand and communicating the "story" of CHDC thru its clients.

Contribute to the social development of the community thru expanded service and community engagement in all markets served by CHDC (Oakland, Richmond, Antioch, Pittsburg, Vallejo).

### BENEFITS:

- Increases CHDC's public perception as a black led organization.
- Increases CHDC's digital presence which is highly used by emerging demographics.
- Enhances the brand of CHDC across all geographical areas it serves.
- Generates leads and increases referral rate for CHDC.
- Telling CHDC's story will provide funders with a historical perspective of CHDC's community involvement and success.

# STRATEGY #3

*Enhance reputation thru Community Engagement, Branding, Marketing and PR*

## GOALS

**COMMUNICATE OUR IDENTITY** 3

**EXPAND POLITICAL ADVOCACY** 4

## OUTCOMES

Enhance website to include link to people within organization; create a plan specifically to target certain resources; develop marketing resources and include into overall marketing and communications plan.

Make political advocacy around affordable housing a part of CHDC's brand. Included advocacy work should be the responsibility of the Executive Director and Board of Directors and be communication frequently in internal and external communications.

BENEFITS:

- Increases CHDC's public perception as a black led organization.
- Increases CHDC's digital presence which is highly used by emerging demographics.
- Enhances the brand of CHDC across all geographical areas it serves.
- Generates leads and increases referral rate for CHDC.
- Telling CHDC's story will provide funders with a historical perspective of CHDC's community involvement and success.

# STRATEGY #4

*Engage in organizational culture building assessment, strategy & activities.*

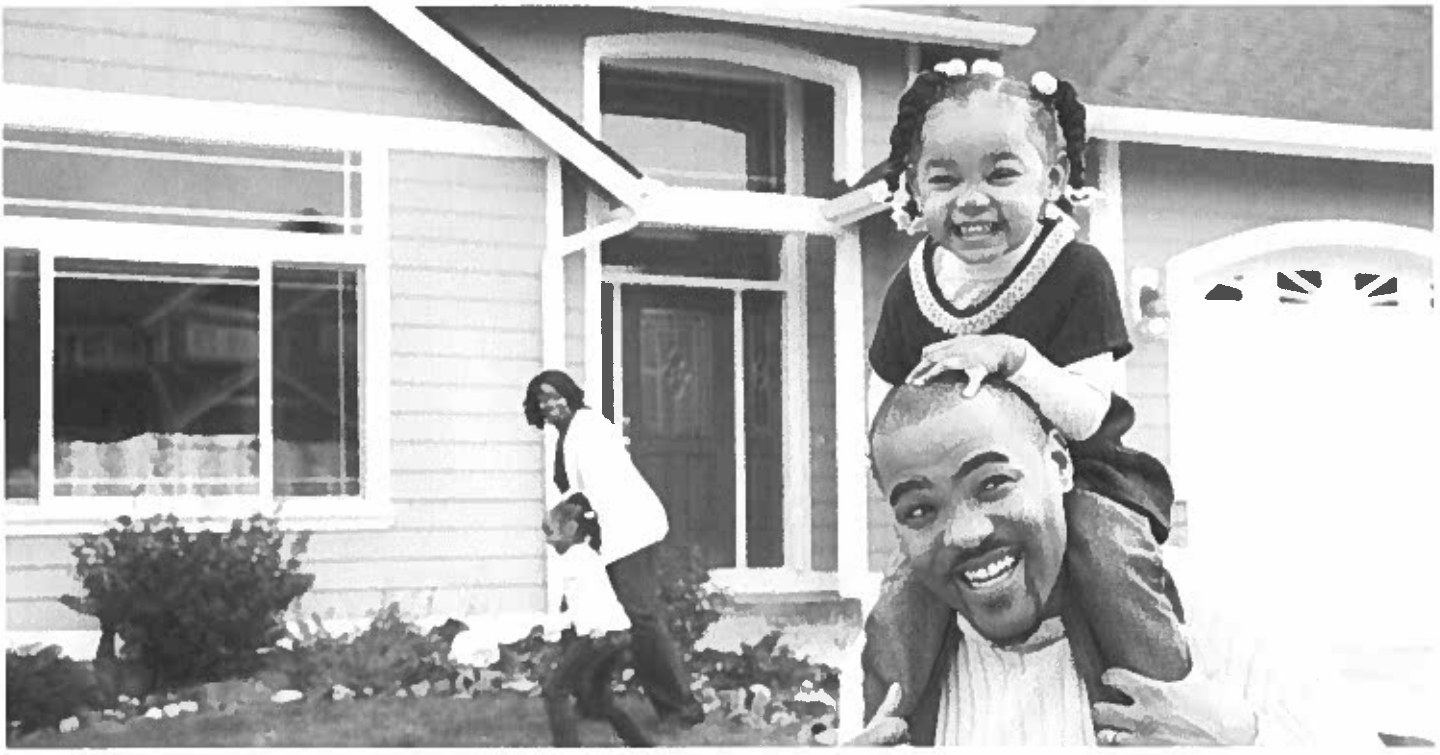
| GOALS | | OUTCOMES |
|---|---|---|
| CONDUCT AN ORGANIZATIONAL CULTURE CHECK | 1 | Conduct an organizational health culture check. Examine the underlying practices pertaining to CHDC's organization culture and its impact on employee engagement, productivity and CHDC's internal and external brand. |
| DRIVE ACCOUNTABILITY THROUGHOUT THE ORGANIZATION | 2 | Promote accountability in the workplace and identify opportunities for daily/monthly/quarterly/ yearly actions to drive responsiveness, results and accountability. Decision making will be data driven. |

BENEFITS:

- Culture largely determines the organization's reputation, internally and externally.
- CHDC's leadership development, succession planning, performance management and employee engagement strategies support and enhance CHDC's desired culture.
- A vibrant culture with a reputation for keeping employees engaged and rewarding great work will help CHDC attract and retain top talent.
- Accountability mentality boosts performance at individual, team, and organizational levels.

# STRATEGY #5

*Research homeownership trends and explore innovative concepts to execute.*



## GOAL

**STUDY DRIVERS OF HOMEOWNERSHIP** 1

**INCREASE FUNDING BY UTILIZING CHDC'S CDFI STATUS** 2

## OUTCOMES

Study and disentangle the drivers of the racial and social homeownership gap with the communities Focus increase in minority homeownership. CHDC serves and identify innovative approaches and complimentary approaches to affordable housing. Research market indicators of gentrification; Expand alignment with churches.

Identify best practices in CDFI funding; work with mentors to assist with successful application process and assist in developing strategy for utilizing CHDC's CDFI (Community Development Financial Institutions) status; Identify staffing and marketing needs once successful.

### BENEFITS:

- CHDC can be innovative in addressing the barriers to entry to the real estate market.
- Utilizing CHDC's CDFI status creates tangible impact by creating jobs, creating housing units, creating homeowners.
- Utilizing CHDC's CDFI status creates tangible impact by creating jobs, creating housing units, creating homeowners.

# STRATEGY #6

*Develop partnerships to achieve strategic growth in Real Estate Development.*

## GOALS

**BUILD RELATIONSHIPS WITH REAL ESTATE DEVELOPERS** 1

## OUTCOMES

Continuation from 2016 – 2019 strategic plan: Enhance networking with regional affordable housing developers; Identify specific developers to build relationships; Determir specifications needed (alignment with CHDC mission and goals; productivity, supporting the image of CHDC, long-range planning, accountability to sponsors); Identify operational impact; Identify emerging opportunities.

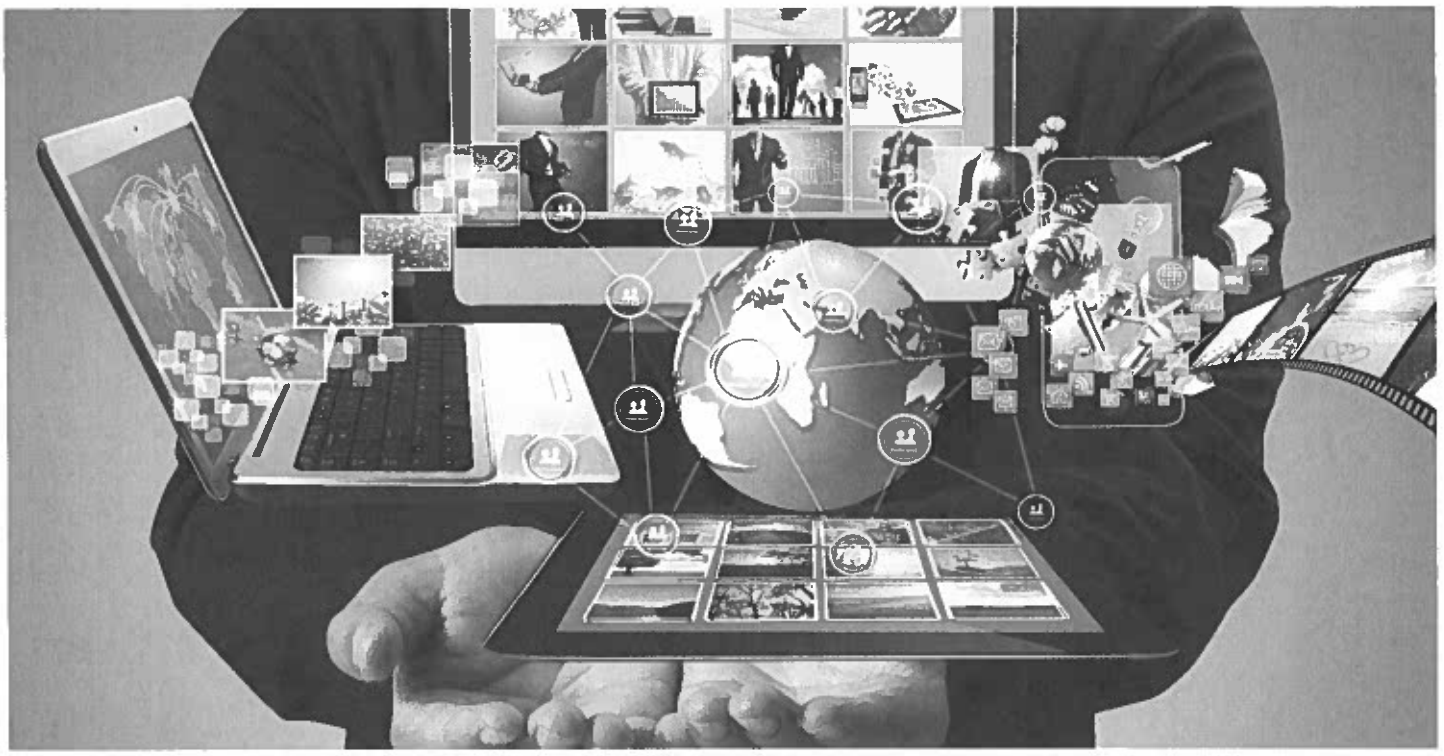
As the only African American organization in the Bay Area that develops affordable housing and provides supportive services, our brand is our identity and must be enhanced.

BENEFITS:

- Increases our competitive edge.
- Helps the communities we serve by mitigating the impact of gentrification.
- ·Assists CHDC in staying relevant to the communities we serve and staying true to our mission.
- Enhances the brand and reputation of CHDC.

# STRATEGY #7

*Audit technological platforms & use of digital tools to increase efficiency.*



## GOALS

## OUTCOMES

**AUDIT TECHNOLOGY** 1

Audit CHDC's current overall technological capabilities, including all departmental manual tools, to identify opportunities to create/utilize a digital platform. Measure the ROI – cost of utilizing tool vs. manual effort. The ROI will include enhanced efficiency.

**REVISE CHDC'S WEBSITE** 2

Upgrade and revise/restructure CHDC's website, including enhanced functionality for staff and other stakeholders to align with standards of 2020 and beyond.

**DEVELOP CPMC WEBSITE** 3

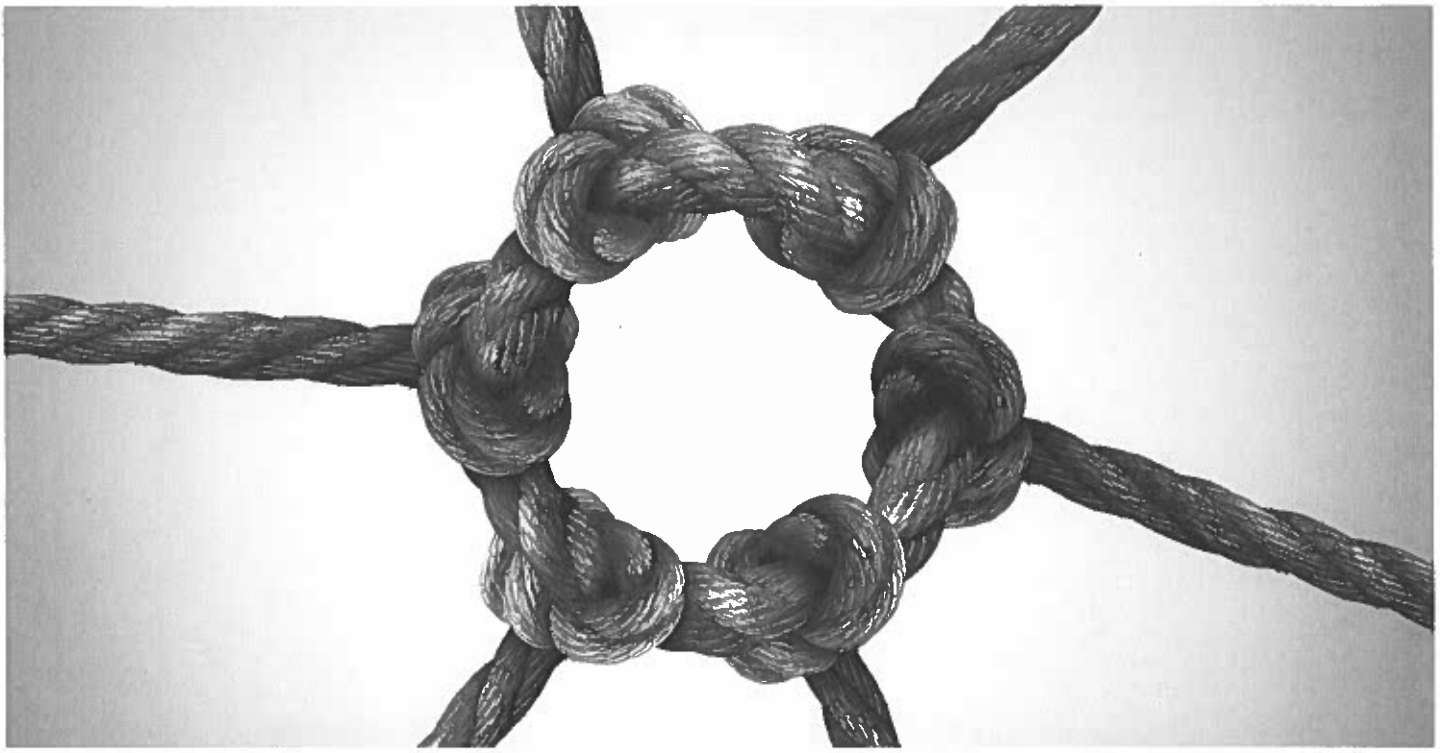
Develop CPMC website, to include functionality for staff and residents. Research existing property management website platforms to determine if they meet the need of CPMC vs. creating a customized PM website.

### BENEFITS:

- Creates an IT framework and notes where it can improve, and any vulnerabilities.
- Security enhancements decrease putting the organization at risk.
- The organization stays current in an increasingly digital world.
- Keeps visitors informed with updates (example: Covid-19, 30th anniversary, local housing).

# STRATEGY #8

*Infuse Diversity, Equity and Inclusion as a core operational value.*



## GOALS

**RACE, EQUITY, DIVERSITY AND INCLUSION**

1

## OUTCOMES

Embed REDI as part of the fabric of the organization by promoting awareness about equity and inclusiveness in CHDC's program, services, policies, principles and practices; gather the voice of the staff; develop long-term strategies with SMART goals; provide training for leaders.

BENEFITS:

- Promotes awareness about equity and inclusiveness in CHDC's program, services, policies, principles and practices.
- External organization and funders are evaluating organizations on their REDI/DEI commitment.
- Improved hiring results
- Reduced employee turnover
- Increased employee engagement
- Better decision making in establishing and
- implementing programs, policies and services

# STRATEGY #9

*Develop a Business Continuity, Emergency and Continuity Plan*

## GOALS

**DEVELOP BUSINESS CONTINUITY AND EMERGENCY MANAGEMENT PLAN**

1

## OUTCOMES

Situations in 2020 have heightened the need for a Business Continuity plan. Development will include: a Risk Assessment; Impact Analysis; critical business processes and workflows; critical staff planning. This should be done at the business operations and organizational levels.

BENEFITS:

- Protects you against threats and risks (proactive measures can be taken)
- Builds confidence with your customer base
- Minimizes any business disruptions
- Trains employees on actions to take during an emergency and contact protocol
- intangible benefits might include:

1. Better understanding and documentation of business processes
2. Improvement of non-BC project processes and
3. Understand dependencies between technologies within the office

STATE OF CALIFORNIA
**FRANCHISE TAX BOARD**
PO BOX 942857
SACRAMENTO CA 94257-0540

# Entity Status Letter

Date: 8/25/2021

ESL ID: 5041290318

## Why You Received This Letter

According to our records, the following entity information is true and accurate as of the date of this letter.

Entity ID: 1514126

Entity Name: COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND

- [x] 1. The entity is in good standing with the Franchise Tax Board.
- [ ] 2. The entity is **not** in good standing with the Franchise Tax Board.
- [x] 3. The entity is currently exempt from tax under Revenue and Taxation Code (R&TC) Section 23701 d.
- [ ] 4. We do not have current information about the entity.
- [ ] 5. The entity was administratively dissolved/cancelled on through the Franchise Tax Board Administrative Dissolution process.

## Important Information

- This information does not necessarily reflect the entity's current legal or administrative status with any other agency of the state of California or other governmental agency or body.
- If the entity's powers, rights, and privileges were suspended or forfeited at any time in the past, or if the entity did business in California at a time when it was not qualified or not registered to do business in California, this information does not reflect the status or voidability of contracts made by the entity in California during the period the entity was suspended or forfeited (R&TC Sections 23304.1, 23304.5, 23305a, 23305.1).
- The entity certificate of revivor may have a time limitation or may limit the functions the revived entity can perform, or both (R&TC Section 23305b).

## Connect With Us

Web: **ftb.ca.gov**
Phone: 800.852.5711 from 7 a.m. to 5 p.m. weekdays, except state holidays
916.845.6500 from outside the United States
TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
2 CUPANIA CIRCLE
MONTEREY PARK, CA 91755-7406

DEPARTMENT OF THE TREASURY

Date:
MAY 04 1996

COMMUNITY HOUSING DEVELOPMENT CORP
OF NORTH RICHMOND
1452 FILBERT ST
RICHMOND, CA 94801-1960

Employer Identification Number:
68-0235719
Case Number:
956121014
Contact Person:
TYRONE THOMAS
Contact Telephone Number:
(213) 894-2289
Our Letter Dated:
March 06, 1992
Addendum Applies:
No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Richard R. Orosco
District Director

Letter 1050 (DO/CG)

ACORD®

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 4/2/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

**PRODUCER**
Arthur J. Gallagher & Co.
Insurance Brokers of CA, Inc. LIC #0726293
595 Market Street, Suite 2100
San Francisco CA 94105

CONTACT NAME:
PHONE (A/C, No, Ext): 415-536-8488 FAX (A/C, No): 415-536-5755
E-MAIL ADDRESS: CertRequests@ajg.com

| INSURER(S) AFFORDING COVERAGE | NAIC # |
|---|---|
| INSURER A : BCS Insurance Company | 38245 |
| INSURER B : Philadelphia Indemnity Insurance Company | 18058 |
| INSURER C : Philadelphia Insurance Company | |
| INSURER D : | |
| INSURER E : | |
| INSURER F : | |

**INSURED**
Community Housing Development
Corporation of North Richmond
1540 Fred Jackson Way,
Richmond CA 94801

**COVERAGES** **CERTIFICATE NUMBER:** 1351680429 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|---|---|---|---|---|---|---|---|---|
| C | X COMMERCIAL GENERAL LIABILITY | Y | Y | PHPK2255424 | 4/1/2021 | 4/1/2022 | EACH OCCURRENCE | $ 1,000,000 |
| | CLAIMS-MADE X OCCUR | | | | | | DAMAGE TO RENTED PREMISES (Ea occurrence) | $ 300,000 |
| | X EmployeeBenefits | | | | | | MED EXP (Any one person) | $ 15,000 |
| | | | | | | | PERSONAL & ADV INJURY | $ 1,000,000 |
| | GEN'L AGGREGATE LIMIT APPLIES PER: | | | | | | GENERAL AGGREGATE | $ 2,000,000 |
| | POLICY PRO-JECT X LOC | | | | | | PRODUCTS - COMP/OP AGG | $ 2,000,000 |
| | X OTHER: GL Ded: $0 | | | | | | | $ |
| C | AUTOMOBILE LIABILITY | | | PHPK2255424 | 4/1/2021 | 4/1/2022 | COMBINED SINGLE LIMIT (Ea accident) | $ 1,000,000 |
| | X ANY AUTO | | | | | | BODILY INJURY (Per person) | $ |
| | OWNED AUTOS ONLY / SCHEDULED AUTOS | | | | | | BODILY INJURY (Per accident) | $ |
| | X HIRED AUTOS ONLY / X NON-OWNED AUTOS ONLY | | | | | | PROPERTY DAMAGE (Per accident) | $ |
| | | | | | | | Comp Ded: $1,000 | $ Coll Ded: $1,000 |
| C | X UMBRELLA LIAB X OCCUR | Y | Y | PHUB761867 | 4/1/2021 | 4/1/2022 | EACH OCCURRENCE | $ 10,000,000 |
| | EXCESS LIAB CLAIMS-MADE | | | | | | AGGREGATE | $ 10,000,000 |
| | DED X RETENTION $ 10,000 | | | | | | | $ |
| | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY | | | | | | PER STATUTE / OTH-ER | |
| | ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N (Mandatory in NH) | N / A | | | | | E.L. EACH ACCIDENT | $ |
| | If yes, describe under DESCRIPTION OF OPERATIONS below | | | | | | E.L. DISEASE - EA EMPLOYEE | $ |
| | | | | | | | E.L. DISEASE - POLICY LIMIT | $ |
| B | Professional Liability | | | PHSD1608919 | 4/1/2021 | 4/1/2022 | Limit: | $1,000,000 |
| A | Cyber | | | RPSP50200704M | 4/9/2021 | 4/9/2022 | Limit: | $1,000,000 |
| C | Crime | | | PHPK2255424 | 4/1/2021 | 4/1/2022 | Limit: | See below |

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES** (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Crime Policy - Limits of Insurance

Employee Dishonesty - $500,000
Money and Security Inside the Premises - $10,000
Money and Security Outside the Premises - $10,000
Money Orders and Counterfeit Paper Currency - $10,000
Kidnap and Ransom – Extortion - $50,000
Forgery or Alteration - $250,000
See Attached...

**CERTIFICATE HOLDER**

City of Vallejo
555 Santa Clara Street
Vallejo CA 94590
USA

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Marylene Kallopaiw

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The ACORD name and logo are registered marks of ACORD

AGENCY CUSTOMER ID: _____

LOC #: _____

# ADDITIONAL REMARKS SCHEDULE



| AGENCY | | NAMED INSURED |
|---|---|---|
| Arthur J. Gallagher & Co. | | Community Housing Development Corporation of North Richmond<br>1540 Fred Jackson Way,<br>Richmond CA 94801 |
| POLICY NUMBER | | |
| CARRIER | NAIC CODE | EFFECTIVE DATE: |

## ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Credit or Debit Card Forgery - $50,000
Computer Fraud - $250,000

The City of Vallejo, its officers, officials, employees, agents, or volunteers are included as additional insureds with respect to the Pre and Post Education and Counseling homebuyer program.



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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

| **Name Of Additional Insured Person(s) Or Organization(s):** |
|---|
| As Required by Written Contract |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |

**A.** **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.


© Insurance Services Office, Inc., 2012

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

**SCHEDULE**

**Name of Person or Organization:**
City of Vallejo
555 Santa Clara Street
Vallejo CA 94590

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule as an insured but only with respect to liability arising out of your operations or premises owned by or rented to you.

 Copyright, Insurance Services Office, Inc., 1984 

# ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 1/24/2022

PRODUCER (510) 235-0353 FAX
M A Hays Insurance
CA License #0094750
232 Broadway
Richmond CA 94804

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
Community Housing Dev. Corp Of North Richmond XXX
1535A Fred Jackson Way
Richmond CA 94801

| INSURERS AFFORDING COVERAGE | NAIC # |
|---|---|
| INSURER A: Travelers Ins. | |
| INSURER B: Sequoia Ins. Co. | |
| INSURER C: | |
| INSURER D: | |
| INSURER E: | |

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | ADD'L INSRD | TYPE OF INSURANCE | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YY) | POLICY EXPIRATION DATE (MM/DD/YY) | LIMITS | |
|---|---|---|---|---|---|---|---|
| | | GENERAL LIABILITY | | | | EACH OCCURRENCE | $ |
| | | COMMERCIAL GENERAL LIABILITY | | | | DAMAGE TO RENTED PREMISES (Ea occurrence) | $ |
| | | CLAIMS MADE / OCCUR | | | | MED EXP (Any one person) | $ |
| | | | | | | PERSONAL & ADV INJURY | $ |
| | | | | | | GENERAL AGGREGATE | $ |
| | | GEN'L AGGREGATE LIMIT APPLIES PER: POLICY / PRO-JECT / LOC | | | | PRODUCTS - COMP/OP AGG | $ |
| | | AUTOMOBILE LIABILITY | | | | COMBINED SINGLE LIMIT (Ea accident) | $ |
| | | ANY AUTO | | | | BODILY INJURY (Per person) | $ |
| | | ALL OWNED AUTOS | | | | | |
| | | SCHEDULED AUTOS | | | | BODILY INJURY (Per accident) | $ |
| | | HIRED AUTOS | | | | | |
| | | NON-OWNED AUTOS | | | | PROPERTY DAMAGE (Per accident) | $ |
| | | GARAGE LIABILITY | | | | AUTO ONLY - EA ACCIDENT | $ |
| | | ANY AUTO | | | | OTHER THAN AUTO ONLY: EA ACC | $ |
| | | | | | | AGG | $ |
| | | EXCESS/UMBRELLA LIABILITY | | | | EACH OCCURRENCE | $ |
| | | OCCUR / CLAIMS MADE | | | | AGGREGATE | $ |
| | | | | | | | $ |
| | | DEDUCTIBLE | | | | | $ |
| | | RETENTION $ | | | | | $ |
| B | | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY | QMC1100430 | 02/19/2021 | 02/19/2023 | X WC STATU-TORY LIMITS / X OTH-ER | |
| | | ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? | | | | E.L. EACH ACCIDENT | $ 1,000,000 |
| | | If yes, describe under SPECIAL PROVISIONS below | | | | E.L. DISEASE - EA EMPLOYEE | $ 1,000,000 |
| | | | | | | E.L. DISEASE - POLICY LIMIT | $ 1,000,000 |
| A | | OTHER Directors and Officers | 105618912 | 5/24/2021 | 5/24/2022 | D&O | $1,000,000 |
| | | | | | | EPLI | $1,000,000 |

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS
Waiver of subrogation applies on the workes comp policy.

## CERTIFICATE HOLDER

CITY OF VALLEJO
Housing & Community Development
Department
200 GEORGIA STREET
VALLEJO, CA 94590

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

## IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

Policy Number: QWC1100430
Effective Date: 2-19-2021
Named Insured and Address: Community Housing Dev. Corp of North Richmond
1535A Fred Jackson Way
Richmond, CA 94801

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 5% of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE

| Person or Organization | Job Description |
|---|---|
| City of Vallejo<br>Housing & Community Development Department<br>200 Georgia Street<br>Vallejo, CA 94590 | |

CHDC
Community Housing Development Corporation

1535-A Fred Jackson Way
Richmond, CA 94801
Tel: (510) 412-9290
Tel: (707) 652-7861
Fax: (510) 215-9276
www.CommunityHDC.org
NeighborWorks
CHARTERED MEMBER

February 8, 2022

Gillian Hayes
City of Vallejo
Housing and Community Development Division
200 Georgia Street
Vallejo CA 94590

Re: Community Housing Development Corporation of North Richmond
City of Vallejo RFP and Applications for Affordable Housing Funding through CDBG/HOME 2022-23 Application – Conflict of Interest Statement

Dear Ms. Hayes
The purpose of this letter is to make a statement concerning conflict of interest as requested in the above referenced RFP.

Community Housing Development Corporation of North Richmond is not aware of any relationships with the City of Richmond, their employees or other representatives that would constitute a conflict of interest.

If you have any questions or comments, please contact me at 510-221-2515 or dgilmore@communityhdc.org

Sincerely,

Donald Gilmore
Executive Director

# CITY OF VALLEJO HOME PROGRAM
# COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)
# CERTIFICATION / RECERTIFICATION FORM

## COVER SHEET

Please provide the following information for the person responsible for completing this Certification Form who will be available and responsible for answering questions relating to information provided in the application.

| |
|---|
| Applicant Organization: Community Housing Development Corporation of North Richmond |
| Name of Person Completing Form: Timothy Moreau |
| Title: Project Manager |
| Submitting Agency/Organization, if other than Applicant organization: N/A |
| Mailing Address: 1535 A - Fred Jackson Way, Richmond CA 94801 |
| Phone Number: 510-221-2523 |
| E-Mail Address: tmoreau@communityhdc.org |
| Date: February 8th, 2022 |

## TAB 1

## LETTER OF SUBMITTAL ON APPLICANT LETTERHEAD AND SIGNED BY THE PRESIDENT/CHAIRPERSON OF THE BOARD

CHDC
Community Housing Development Corporation

1535-A Fred Jackson Way
Richmond, CA 94801
Tel: (510) 412-9290
Tel: (707) 652-7861
Fax: (510) 215-9276
www.CommunityHDC.org
NeighborWorks
CHARTERED MEMBER

January 25, 2022

Gillian Hayes
City of Vallejo
Housing and Community Development Division
200 Georgia Street
Vallejo CA 94590

Re: Community Housing Development Corporation of North Richmond
City of Vallejo CHDO Recertification 2022

Dear Ms. Hayes,

Community Housing Development Corporation of North Richmond is pleased to submit the enclosed City of Vallejo CHDO Recertification application.

If you have any questions or comments, please contact Mr. Donald Gilmore at 510-221-2515 or dgilmore@communityhdc.org

Respectfully,

Jennifer Hicks
Board President

# TAB 2

## APPLICANT CERTIFICATION INFORMATION

**APPLICATION WILL NOT BE ACCEPTED WITHOUT THIS INFORMATION COMPLETED AND SIGNED BY THE APPROPRIATE INDIVIDUALS**

1. **Please attach to this certification copies of the Minutes of the Board and a Board Resolution from the applicant's governing body authorizing the submission of this application, and identifying the authorized signer for the agency.**

2. **For newly created organizations formed by local churches, service or community organizations, please attach a statement that documents that its parent organization has at least one year of experience in serving the community.**

The applicant certifies that to the best of his/her knowledge, all information submitted as part of this application is true. The applicant acknowledges that all documentation supporting the information in the application is on file in the applicant's offices and available for review by City of Vallejo staff during normal business hours. The applicant understands that failure to provide any of the documentation necessary to support the information in this application may result in the non-allocation or return of HOME program funding. If funding is approved, the information in the application will be incorporated as part of the agreement and will be used to monitor performance of the project/program and failure to substantially incorporate those activities, commitments, and representations offered in the application as part of the funding of the program or project will be considered a material breach of the agreement and may result in repayment or suspension of all HOME funds. Changes considered substantial by the City of Vallejo may be required to be reviewed and approved by the City. The applicant additionally agrees that once the agreement is executed, the applicant will comply with all grant, contract, and HOME funding requirements.

| | |
|---|---|
| CHDO Name: Community Housing Development Corporation of North Richmond | |
| Tax ID Number (must be provided): **68-0235719** | DUNS Number (must be provided): 867643793 |

| | |
|---|---|
| Signature of Executive Director/Authorized Official: | |
| Type/Print Name of Authorized Official: Donald Gilmore | Title: Executive Director |
| Phone Number: 510-221-2515 | Date: |

| | |
|---|---|
| **Signature of Chairman of Board of Directors/Executive Director of Applicant Organization:** | |
| **Type/Print Name of Chairperson/Executive Director** Jennifer Hicks | **Title:** Board President |
| **Phone Number:** 510.301.5575 | **Date:** 2-1-2022 |

**INCLUDE BOARD RESOLUTION AND BOARD MINUTES AUTHORIZING RESOLUTION WITH THIS TAB.**

# TAB 3

## CHDO SELF-CERTIFICATION EVALUATION

Applicants for CHDO certification/recertification must meet all minimum threshold criteria for certification / recertification required by the U.S. Department of Housing and Urban Development (HUD) for certification of all CHDOs. City of Vallejo staff will review applications to determine if an applicant meets the minimum criteria for certification/recertification.

Below are the minimum criteria to be certified as a CHDO. Review these carefully before completing and submitting the application and check documentation that applies. If an applicant does not meet the minimum requirements, the applicant cannot be certified/re-certified and the City of Vallejo will not perform any further review of the application.

**HUD CHDO CERTIFICATION/RECERTIFICATION CRITERIA**
**Check those areas that are applicable to the applying Agency/CHDO**

| | Description of requirement | Documentation provided to evidence compliance |
|---|---|---|
| I. | LEGAL STATUS | |
| ☒ | The nonprofit organization is organized under State or local laws, as evidenced by: | ☐ Charter<br>☒ Articles of Incorporation |
| ☒ | No part of its net earnings inure to the benefit of any member, founder, contributor, or individual, as evidenced by: | ☐ Charter<br>☒ Articles of Incorporation |
| ☒ | Has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986, is classified as a subordinate of a central organization non-profit under section 905 of the Internal Revenue Code of 1986, or if the private nonprofit organization is an wholly owned entity that is disregarded as an entity separate from its owner for tax purposes (e.g., a single member limited liability company that is wholly owned by an organization that qualifies as tax-exempt), the owner organization has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986 and meets the definition of a CHDO<br>, as evidenced by: | ☒ 501(c)(3) or (4) Certificate from the IRS.<br>☐ Is classified as a subordinate of a central organization non-profit under section 905 of the Internal Revenue code, as evidenced by a group exemption letter from the IRS that includes the CHDO.<br>☐ a group 501(c)(3) Certificate from the IRS (for local organizations which are a subordinate of a central organization non-profit under Sect. 905 |
| ☒ | Has among its purposes the provision of decent housing that is affordable to low- and moderate-income people, as evidenced by a statement in the organization's: | ☐ Charter<br>☒ Articles of Incorporation<br>☐ By-laws<br>☐ Resolutions |
| II. | CAPACITY | |
| ☒ | Conforms to the financial accountability standards of 2 CFR 200.302 (Financial Management) and 200.303 (Internal Controls). | ☐ a notarized statement by the president or chief financial officer of the organization<br>☒ a certification from a Certified Public Accountant<br>☐ a HUD approved audit summary |

| | | |
|---|---|---|
| ☒ | Has a demonstrated capacity for carrying out activities assisted with HOME funds, as evidenced by: | For a CHDO undertaking development activities as a developer or sponsor:<br><br>☒ resumes and/or statements that describe the experience of key paid employees who have successfully completed projects similar to those to be assisted with HOME funds (demonstrating capacity cannot be met based on any person who is a volunteer or whose services are donated by another organization),<br>OR<br>☐ contract(s) with consultant firms or individuals who have housing experience similar to projects to be assisted with HOME funds, to train appropriate key staff of the organization. **Note that this option is only available to a CHDO for their first year of funding.**<br><br>For a CHDO that will own rental housing:<br><br>☒ CHDO must provide evidence of sufficient financial strength to operate and maintain the housing for the duration of the affordability period, inclusive of addressing sustained vacancies and maintenance of replacement reserve funds.<br><br>☒ CHDO must supply the resumes and/or statements that describe the experience of key paid employees in managing all aspects of HUD assisted rental properties, inclusive of applicant intake, eligibility determination, fair housing, affirmative fair housing marketing, dispute resolution, affordability monitoring and reporting, property condition assessment and monitoring, and other operation related functions. |
| ☒ | Has a history of serving the community within which housing to be assisted with HOME funds is to be located, as evidenced by: | ☒ a statement that documents at least one year of experience in serving the community,<br>OR<br>☐ for newly created organizations formed by local churches, service or community organizations, a statement that documents that its parent organization has at least one year of experience in serving the community. |

NOTE: The CHDO or its parent organization must be able to show one year of serving the community prior to the date the participating jurisdiction provides HOME funds to the organization. In the statement, the organization must describe its history (or its parent organization's history) of serving the community by describing activities which it provided (or its parent organization provided), such as, developing new housing, rehabilitating existing stock and managing housing stock, or delivering non-housing services that have had lasting benefits for the community, such as counseling, food relief, or childcare facilities. The statement must be signed by the president or other official of the organization.

| III. | ORGANIZATIONAL STRUCTURE | |
|---|---|---|
| ☒ | Maintains at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations as evidenced by the organization's: | ☐ By-Laws<br>☐ Charter<br>☐ Articles of Incorporation. |
| ☒ | Provides a formal process for low-income, program beneficiaries to advise the organization in all of its decisions regarding the design, siting, development, and management of affordable housing projects, as evidenced by: | ☒ the organization's By-laws,<br>☐ Resolutions<br>☐ a written statement of operating procedures approved by the governing body |
| ☐ | A CHDO cannot be a governmental entity (including the participating jurisdiction, other jurisdiction, Indian tribe, public housing authority, Indian housing authority, housing finance agency, or redevelopment authority) and cannot be controlled by a governmental entity. A CHDO may be created by a governmental entity, but all of the following restrictions apply:<br>**N/A** | (1) the governmental entity may not appoint more than one-third of the membership of the organization's governing body as evidenced by the organization's:<br>☐ By-Laws<br>☐ Charter<br>☐ Articles of Incorporation<br>(2) the board members appointed by the governmental entity may not, in turn, appoint the remaining two-thirds of the board members, as evidenced by the organization's:<br>☐ By-Laws<br>☐ Charter<br>☐ Articles of Incorporation<br>(3) no more than one-third of the governing board members are public officials or employees of the governmental entity, as evidenced by the organization's:<br>☐ By-Laws<br>☐ Charter<br>☐ Articles of Incorporation<br>(4) no officers or employees of a governmental entity may be officers or employees of the CHDO, as evidenced by the organization's:<br>☐ By-Laws<br>☐ Charter<br>☐ Articles of Incorporation |
| ☐ | If the CHDO is sponsored or created by a for-profit entity, the for-profit entity may not appoint more than one-third of the membership of the CHDO's governing body, and the board members appointed by the for-profit entity may not, in turn, appoint the remaining two-thirds of the board members; and the officers and employees of the for-profit entity may not be officers or employees of the CHDO, as evidenced by the CHDO's: **N/A** | ☐ By-Laws<br>☐ Charter<br>☐ Articles of Incorporation |

| IV. | RELATIONSHIP WITH FOR-PROFIT ENTITIES | |
|---|---|---|
| ☒ | The CHDO is not controlled, nor receives directions from individuals, or entities seeking profit from the organization, as evidenced by: | ☒ the organization's By-laws<br>☐ a Memorandum of Understanding (MOU) |
| ☐ | A Community Housing Development Organization may be sponsored or created by a for-profit entity, however:<br><br>N/A | (1) the for-profit entity may not be an entity whose primary purpose is the development or management of housing, such as a builder, developer, or real estate management firm, as evidenced in:<br>☐ the for-profit organization's By-laws<br>**AND;**<br>(2) the CHDO is free to contract for goods and services from vendor(s) of its own choosing, as evidenced in the CHDO's:<br>☐ By-Laws<br>☐ Charter<br>☐ Articles of Incorporation |

## TAB 4

**Copies of the following documents should be included with this tab**

- ☒ **Articles of Incorporation**
- ☐ **Charter**
- ☒ **Bylaws**
- ☐ **Any pertinent resolutions which may impact your CHDO consideration**
- ☒ **501(c)(3) or (4) Certificate from the IRS, or if qualified under a central organization non-profit under IRS Section 905 – a group 501(c)(3) Certificate from the IRS.**

# TAB 5

## APPLICANT INFORMATION

| | | |
|---|---|---|
| ☐ New CHDO Applicant | If existing Vallejo CHDO, date first certified: | If not presently certified, but certified previously, last fiscal year certified: |
| ☒ Existing Vallejo CHDO | 2018 | n/a |
| If a certified CHDO by another entity, please indicate the entity(ies) and the geographical service area(s) served: Community Housing Development Corporation is a certified as a CHDO by the City of Oakland, as providing services in Alameda County, Solano County, Contra Costa County | | |

| APPLICANT INFORMATION (CHDO) | | | |
|---|---|---|---|
| Name: | Community Housing Development Corporation | | |
| Address: | 1535 A Fred Jackson Way | | |
| City/State/Zip: | Richmond, CA 94801 | | |
| Phone Number: | 510-412-9290 | Alt. Phone Number: | N/A |
| Email Address: | Communityhdc.org | Tax I. D. Number: | 68-0235719 |

| CHAIRMAN/PRESIDENT OF THE CHDO BOARD | | | |
|---|---|---|---|
| Name: | Jennifer Hicks | Title: | Board President |
| Address: | 284 Sextus Road | | |
| City/State/Zip: | Oakland, CA 94603 | | |
| Phone Number: | 510-301-5575 | Alt. Phone Number: | n/a |
| Email Address: | jenny@jvhempower.com | | |

| CONTRACTING OFFICER | | | |
|---|---|---|---|
| Name: | Donald Gilmore | Title: | Executive Director |
| Address: | 1535 A Fred Jackson Way | | |
| City/State/Zip: | Richmond, CA 94801 | | |
| Phone Number: | 510-221-2515 | Alt. Phone Number: | n/a |
| Email Address: | dgilmore@communityhdc.org | | |
| Is anyone else authorized to act as the contracting officer? ☐ Yes ☐ No **If Yes, attach a list with required supplemental information under this tab.** | | | |

# TAB 6

## APPLICANT/ORGANIZATION DESCRIPTION

Please provide the information requested below. If a document is required include the document under this tab.

1. **Provide an Organizational Chart of the CHDO**

   Be sure to include ALL positions that provide housing development related activities for the CHDO, as well as any for which you will use operating funds. If the organization has an agreement to use another agency's staff, indicate in the organization chart how this staff relates to the CHDO staff.

2. **Provide a List of All CHDO Staff Members (Paid or Volunteer)**

   Note the key staff members and provide resumes for each. Resumes should indicate the experience and activities of the key staff members that relate directly to successfully completing housing development projects similar to those to be assisted with HOME funds. If the staff member(s) has worked on previous HOME funded projects for the CHDO, please indicate the project, the role played and activities of that staff member in the project.

3. **Provide the Name, Title and Contact Information for the Staff Person Responsible for Development Projects and Compliance with HOME and other Federal Regulation Compliance**

   Provide documentation of this person's training directly related to the implementation of the HOME program.

4. **Describe the Make-Up of Your CHDO Board, Indicating the Specific Types of Experience and Expertise in Housing Development that Each Member Brings to the Board that will assist the CHDO in Meeting Its Housing Goals. Complete the attached "Board Membership List" and Member Designation Form(s).**

   Include a Board Membership List and a signed Member Designation Form (found at the end of this tab) for each member of the Board. If the member is representing a low-income group, provide documentation (minutes of a meeting, resolution by the board) that the member is an "elected" representative of that board or group.

5. **Provide a Copy of All Agendas and Minutes for Agency Board Meetings Over the Last 12 Months.**

6. **Provide a copy of your formal process for low-income, program beneficiaries to advise the organization in decisions regarding design, siting, development, and management of affordable housing projects.**

   This description should include the role your low-income program beneficiaries and tenants have taken in the designing, location of sites, and development and management of your CHDOs affordable housing project(s) and the efforts the CHDO has undertaken for securing input from the persons in your target area. In the process of developing a housing project/program, detail the steps the CHDO takes to include residents in their service areas which do not have representatives on their board. Provide the dates and location of public meetings/forums held in your target area within the last twelve (12) months to receive input and evidence of community support (i.e., letter of support from businesses, neighborhood associations, groups). If you are submitting a project during this funding round, describe how surrounding property owners were or will be notified and what their role was/will be in the design, siting, development, and management of affordable housing projects.

| | |
|---|---|
| 7. | **Has the CHDO utilized financial and/or other partnerships to build development capacity over the last twelve months?**<br><br>Please list these partnerships, LLCs, LLPs, and/or other legal entities and their members and provide a copy of the partnership agreement, memo of understanding, and/or documentation as to the role the CHDO plays in the partnership(s). These documents may be provided electronically on CDs or floppy disks. Note that if the CHDO plans to use CHDO set-aside funds, the CHDO must be the managing general partner with effective project control (51%) and the all agreements must state this requirement. |
| 8. | **How has/will the CHDO work to expand its housing development capacity through attendance at workshops and trainings?**<br><br>**What trainings/workshops did staff and or the CHDO board members attend within the last year? Which staff/board members attended these trainings/workshops?** Provide documentation (such as certificates, agendas, dates/training organization, etc.) of attendance.<br><br>**What HUD sponsored HOME or other trainings/workshops has your staff attended within the past three years? Which staff/board members attended these trainings/workshops?** Provide documentation (such as certificates, agendas, etc.) of attendance.<br><br>**What future workshops or training opportunities would the CHDO like to have available to them?** Have you allocated money in your budget for training (be sure to also include this under your budget)? |
| 9. | **Is the CHDO sponsored by a non-profit/charity, by a religious organization, by a local/state government and public agency, or by a for-profit corporation? If so, describe the relationship of the CHDO to that sponsor.** |

**TAB 6 ANSWERS**

1. Please see the attached organizational chart.

2. Please see attached resumes of staff members.

3. Joanna Griffith, Director of Real Estate Development, 510-221-2511 jgriffith@communityhdc.org

4. Enclosed pleased find the board member designation forms, member list and bios

5. Agenda and meeting minutes for board meetings over the last 12 months is enclosed.

6. See Bylaws

7. N/A

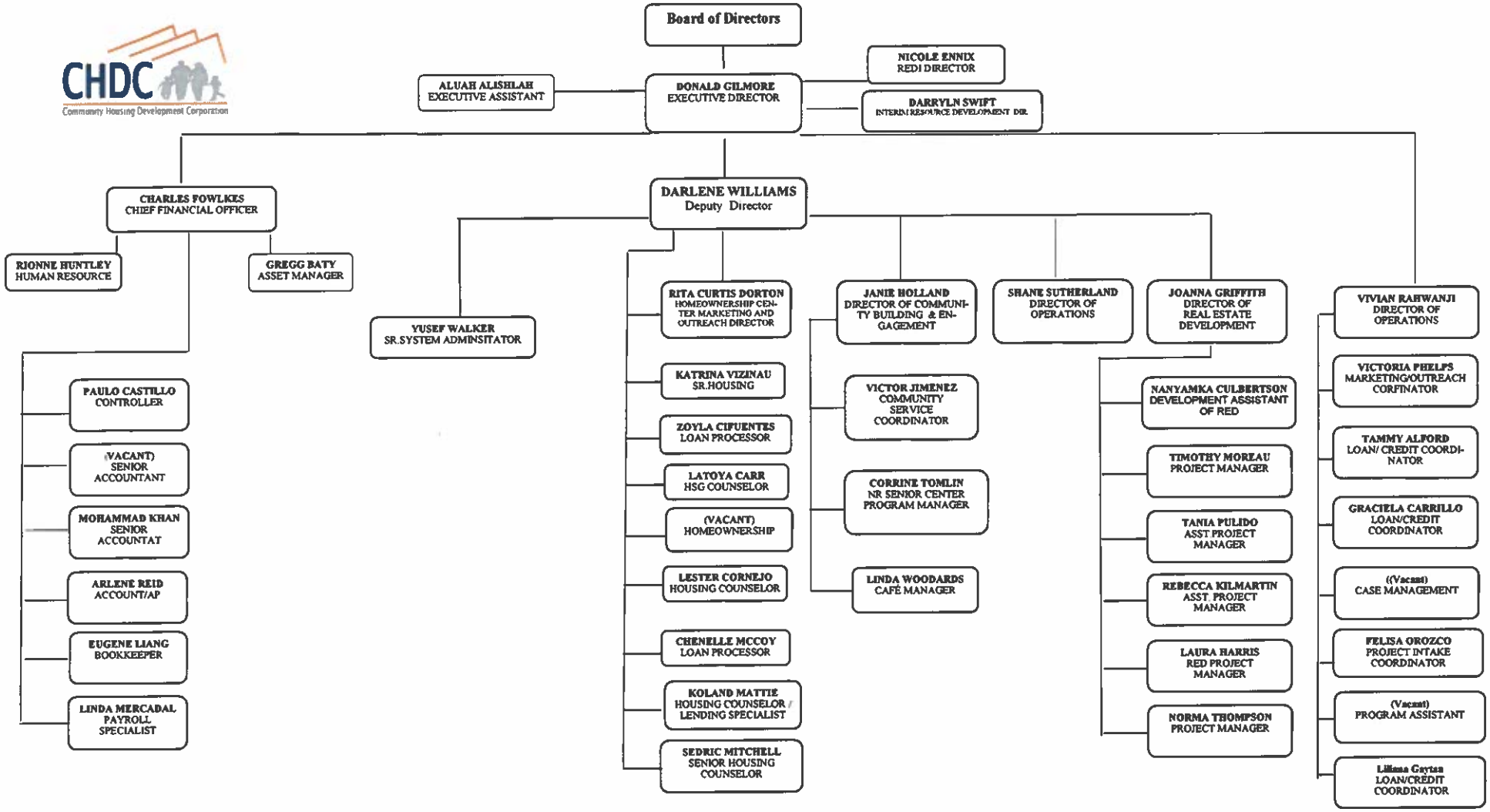
8. Excellence In Governance (EIG) A NeighborWorks 18-month training completed 8/2021

   The following board members and executive director attended this training. Maria Benjamin, Fred Lambright, Lesley Stewart, Jennifer Hicks, Marena Brown, and Donald Gilmore. The training timeline, agenda, and certificate of completion for Donald Gilmore is attached.

   NeighborWorks Counseling training and HUD trainings. Katrina Vizinau, Rita Curtis Dorton, Darlene Williams, Sedric Mitchell and Lestor Cornejo

   Will be sending staff to future HOME and HUD trainings. Both HUD and NeighborWorks trainings are budgeted for. We have $20,000 budgeted for training.

9. Community Housing Development Corporation is not sponsored by another entity.


CHDC
Community Housing Development Corporation
Board of Directors
ALUAH ALISHLAH
EXECUTIVE ASSISTANT
DONALD GILMORE
EXECUTIVE DIRECTOR
NICOLE ENNIX
REDI DIRECTOR
DARRYLN SWIFT
INTERIM RESOURCE DEVELOPMENT DIR.
CHARLES FOWLKES
CHIEF FINANCIAL OFFICER
RIONNE HUNTLEY
HUMAN RESOURCE
GREGG BATY
ASSET MANAGER
PAULO CASTILLO
CONTROLLER
(VACANT)
SENIOR
ACCOUNTANT
MOHAMMAD KHAN
SENIOR
ACCOUNTAT
ARLENE REID
ACCOUNT/AP
EUGENE LIANG
BOOKKEEPER
LINDA MERCADAL
PAYROLL
SPECIALIST
DARLENE WILLIAMS
Deputy Director
YUSEF WALKER
SR.SYSTEM ADMINSITATOR
RITA CURTIS DORTON
HOMEOWNERSHIP CENTER MARKETING AND OUTREACH DIRECTOR
KATRINA VIZINAU
SR.HOUSING
ZOYLA CIFUENTES
LOAN PROCESSOR
LATOYA CARR
HSG COUNSELOR
(VACANT)
HOMEOWNERSHIP
LESTER CORNEJO
HOUSING COUNSELOR
CHENELLE MCCOY
LOAN PROCESSOR
KOLAND MATTIE
HOUSING COUNSELOR / LENDING SPECIALIST
SEDRIC MITCHELL
SENIOR HOUSING
COUNSELOR
JANIE HOLLAND
DIRECTOR OF COMMUNITY BUILDING & ENGAGEMENT
VICTOR JIMENEZ
COMMUNITY
SERVICE
COORDINATOR
CORRINE TOMLIN
NR SENIOR CENTER
PROGRAM MANAGER
LINDA WOODARDS
CAFÉ MANAGER
SHANE SUTHERLAND
DIRECTOR OF
OPERATIONS
JOANNA GRIFFITH
DIRECTOR OF
REAL ESTATE
DEVELOPMENT
NANYAMKA CULBERTSON
DEVELOPMENT ASSISTANT
OF RED
TIMOTHY MOREAU
PROJECT MANAGER
TANIA PULIDO
ASST PROJECT
MANAGER
REBECCA KILMARTIN
ASST. PROJECT
MANAGER
LAURA HARRIS
RED PROJECT
MANAGER
NORMA THOMPSON
PROJECT MANAGER
VIVIAN RAHWANJI
DIRECTOR OF
OPERATIONS
VICTORIA PHELPS
MARKETING/OUTREACH
CORFINATOR
TAMMY ALFORD
LOAN/ CREDIT COORDINATOR
GRACIELA CARRILLO
LOAN/CREDIT
COORDINATOR
((Vacant)
CASE MANAGEMENT
FELISA OROZCO
PROJECT INTAKE
COORDINATOR
(Vacant)
PROGRAM ASSISTANT
Liliana Gaytan
LOAN/CREDIT
COORDINATOR

## BOARD MEMBERSHIP LIST

**CHDO Name:** Community Housing Development Corporation of North Richmond

| | Board Member Name | Home Address (Principal Residence) | Employer (If unemployed, indicate reason) | Select the appropriate category (one only) for each Board Member (Remember to attach supporting documentation) | | | | | Term Expiration Date |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Low Income Household (at or below 80% of AMI) | Resident of Low-Income Neighborhood | Elected Rep of Low-Income Neighborhood Organization | Public Official, Employee, Appointee | Private Sector | |
| 1 | Jennifer Hicks | 284 Sextus Road, Oakland, Ca 94603 | JVH Empower Consulting | ☐ | ☐ | ☐ | ☐ | ☒ | |
| 2 | Larry Taylor | 655 55St, Oakland, CA 94619 | Retired | ☐ | ☐ | ☐ | ☐ | ☒ | |
| 3 | Fred Lambright | 1233 Pine Creek Way, Concord, Ca 94520 | Mechanics Bank | ☐ | ☒ | ☐ | ☐ | ☒ | |
| 4 | Maria Benjamin | 689 Amador St, Richmond CA 94805 | SFMOHCD | ☐ | ☐ | ☐ | ☐ | ☐ | |
| 5 | Lesley Stewart | 1887 Kolob Drive, Fairfield, CA 94534 | LNS Unlimited, LLC | ☐ | ☐ | ☐ | ☐ | ☒ | |
| 6 | Annie King-Meredith | 299 Verde Ave, Richmond CA 94801 | Retired | ☒ | ☒ | ☐ | ☒ | ☐ | |
| 7 | Marena Brown | 1240 Leo St, Richmond, CA 94619 | Youth Services Bureau, WRAP PROGRAM | ☐ | ☐ | ☒ | ☒ | ☐ | |
| 8 | | | | ☐ | ☐ | ☐ | ☐ | ☐ | |
| 9 | | | | ☐ | ☐ | ☐ | ☐ | ☐ | |
| 10 | | | | ☐ | ☐ | ☐ | ☐ | ☐ | |

By my signature below, I hereby certify that the above listing of current active board members is true and accurate:

Board President Signature: _____ Date: 2-1-2022

**MEMBER DESIGNATION FORM**
**(This form must be completed by each Member of the Board).**

☐ 1. **I am a low-income resident of the community.** Low-income resident must have a household income at or below the 80% of the area median household income for the area in which he or she lives, according to HUD. (Community can mean neighborhood, the city, county, or metropolitan area)*

☐ 2. **I am a resident of a low-income neighborhood.** A low-income neighborhood is an area where 51% or more of the households in that Census tract have incomes at or below 80% of the area median household income, as defined by HUD. (This does not mean that you must be a low-income person only that your residence is in a low-income neighborhood.) The address of my principal residence is:

_____

☐ 3. **I am an elected representative of a low-income neighborhood organization.** (A low-income neighborhood organization is an organization composed primarily of residents of a low-income neighborhood. Examples of such organizations are: block groups, town watch organizations, civic associations, neighborhood church groups, etc.)

The Name of this organization is: _____
Attached to this designation form is evidence of election (appointment) by the low-income members of the organization.

☐ 4. **I am a representative of the public sector. I am a/an:**

- ☐ Elected public official
- ☐ Appointed public official
- ☐ A public/government employee of a public agency or department
- ☐ Appointed by a public official to serve on this CHDO

☐ 5. **I am a representative appointed by the for-profit entity which created or sponsored this CHDO.**

☒ 6. **Other.**

* **If you are designated as Low-Income member, please indicate how your eligibility was determined by the CHDO.**

I agree to notify the CHDO board if my representation status as a CHDO board member should change during my tenure on the board. I certify that the information provided above is correct as of the date indicated below:

Larry Taylor
Board Member Signature

1·28·2022
Date

Larry Taylor
Print Name

Please indicate what housing or development related expertise you feel you bring to the CHDO as a member of the board:

_____

_____

_____

**MEMBER DESIGNATION FORM**
**(This form must be completed by each Member of the Board).**

☐ 1. **I am a low-income resident of the community.** Low-income resident must have a household income at or below the 80% of the area median household income for the area in which he or she lives, according to HUD. (Community can mean neighborhood, the city, county, or metropolitan area)*

☐ 2. **I am a resident of a low-income neighborhood.** A low-income neighborhood is an area where 51% or more of the households in that Census tract have incomes at or below 80% of the area median household income, as defined by HUD. (This does not mean that you must be a low-income person only that your residence is in a low-income neighborhood.) The address of my principal residence is:

_____

☐ 3. **I am an elected representative of a low-income neighborhood organization.** (A low-income neighborhood organization is an organization composed primarily of residents of a low-income neighborhood. Examples of such organizations are: block groups, town watch organizations, civic associations, neighborhood church groups, etc.)

The Name of this organization is: _____
Attached to this designation form is evidence of election (appointment) by the low-income members of the organization.

☐ 4. **I am a representative of the public sector. I am a/an:**

- ☐ Elected public official
- ☐ Appointed public official
- ☒ A public/government employee of a public agency or department
- ☐ Appointed by a public official to serve on this CHDO

☐ 5. **I am a representative appointed by the for-profit entity which created or sponsored this CHDO.**

☐ 6. **Other.**

* **If you are designated as Low-Income member, please indicate how your eligibility was determined by the CHDO.**

I agree to notify the CHDO board if my representation status as a CHDO board member should change during my tenure on the board. I certify that the information provided above is correct as of the date indicated below:

Maria Benjamin — Board Member Signature

1/26/22 — Date

Maria Benjamin
Print Name

Please indicate what housing or development related expertise you feel you bring to the CHDO as a member of the board: I have over 30 years experience in affordable housing and community development. I currently hold the position of Deputy Director at the Mayor's Office of Housing and Community Development in San Francisco.

**MEMBER DESIGNATION FORM**
**(This form must be completed by each Member of the Board).**

☐ 1. **I am a low-income resident of the community.** Low-income resident must have a household income at or below the 80% of the area median household income for the area in which he or she lives, according to HUD. (Community can mean neighborhood, the city, county, or metropolitan area)*

☒ 2. **I am a resident of a low-income neighborhood.** A low-income neighborhood is an area where 51% or more of the households in that Census tract have incomes at or below 80% of the area median household income, as defined by HUD. (This does not mean that you must be a low-income person only that your residence is in a low-income neighborhood.) The address of my principal residence is:

284 Sextus Road, Oakland, Ca 94603

☐ 3. **I am an elected representative of a low-income neighborhood organization.** (A low-income neighborhood organization is an organization composed primarily of residents of a low-income neighborhood. Examples of such organizations are: block groups, town watch organizations, civic associations, neighborhood church groups, etc.)

The Name of this organization is: _____
Attached to this designation form is evidence of election (appointment) by the low-income members of the organization.

☐ 4. **I am a representative of the public sector. I am a/an:**

- ☐ Elected public official
- ☐ Appointed public official
- ☐ A public/government employee of a public agency or department
- ☐ Appointed by a public official to serve on this CHDO

☐ 5. **I am a representative appointed by the for-profit entity which created or sponsored this CHDO.**

☐ 6. **Other.**

* **If you are designated as Low-income member, please indicate how your eligibility was determined by the CHDO.**

I agree to notify the CHDO board if my representation status as a CHDO board member should change during my tenure on the board. I certify that the information provided above is correct as of the date indicated below:

Jennifer Ann Hicks
Board Member Signature

2-1-2022
Date

Jennifer Ann Hicks
Print Name

Please indicate what housing or development related expertise you feel you bring to the CHDO as a member of the board:

_____

_____

_____

**MEMBER DESIGNATION FORM**
**(This form must be completed by each Member of the Board).**

☐ 1. **I am a low-income resident of the community**. Low-income resident must have a household income at or below the 80% of the area median household income for the area in which he or she lives, according to HUD. (Community can mean neighborhood, the city, county, or metropolitan area)*

☒ 2. **I am a resident of a low-income neighborhood.** A low-income neighborhood is an area where 51% or more of the households in that Census tract have incomes at or below 80% of the area median household income, as defined by HUD. (This does not mean that you must be a low-income person only that your residence is in a low-income neighborhood.) The address of my principal residence is:

1233 Pine Creek Way, Concord, Ca 94520

☐ 3. **I am an elected representative of a low-income neighborhood organization.** (A low-income neighborhood organization is an organization composed primarily of residents of a low-income neighborhood. Examples of such organizations are: block groups, town watch organizations, civic associations, neighborhood church groups, etc.)

The Name of this organization is: _____
Attached to this designation form is evidence of election (appointment) by the low-income members of the organization.

☐ 4. **I am a representative of the public sector. I am a/an:**

- ☐ Elected public official
- ☐ Appointed public official
- ☐ A public/government employee of a public agency or department
- ☐ Appointed by a public official to serve on this CHDO

☐ 5. **I am a representative appointed by the for-profit entity which created or sponsored this CHDO.**

☐ 6. **Other.**

* **If you are designated as Low-income member, please indicate how your eligibility was determined by the CHDO.**

I agree to notify the CHDO board if my representation status as a CHDO board member should change during my tenure on the board. I certify that the information provided above is correct as of the date indicated below:

Board Member Signature _____ Date 1/31/2022

Fred Lambright
Print Name

Please indicate what housing or development related expertise you feel you bring to the CHDO as a member of the board:

_____

_____

_____

**MEMBER DESIGNATION FORM**
**(This form must be completed by each Member of the Board).**

☒ 1. **I am a low-income resident of the community.** Low-income resident must have a household income at or below the 80% of the area median household income for the area in which he or she lives, according to HUD. (Community can mean neighborhood, the city, county, or metropolitan area)*

☒ 2. **I am a resident of a low-income neighborhood.** A low-income neighborhood is an area where 51% or more of the households in that Census tract have incomes at or below 80% of the area median household income, as defined by HUD. (This does not mean that you must be a low-income person only that your residence is in a low-income neighborhood.) The address of my principal residence is:

299 Verde Ave, Richmond CA 94801

☒ 3. **I am an elected representative of a low-income neighborhood organization.** (A low-income neighborhood organization is an organization composed primarily of residents of a low-income neighborhood. Examples of such organizations are: block groups, town watch organizations, civic associations, neighborhood church groups, etc.)

The Name of this organization is: North Richmond Municipal Advisory Council (NRMAC)
Attached to this designation form is evidence of election (appointment) by the low-income members of the organization.

☒ 4. **I am a representative of the public sector. I am a/an:**

- ☐ Elected public official
- ☒ Appointed public official
- ☐ A public/government employee of a public agency or department
- ☒ Appointed by a public official to serve on this CHDO

☐ 5. **I am a representative appointed by the for-profit entity which created or sponsored this CHDO.**

☐ 6. **Other.**

* **If you are designated as Low-income member, please indicate how your eligibility was determined by the CHDO.**

I agree to notify the CHDO board if my representation status as a CHDO board member should change during my tenure on the board. I certify that the information provided above is correct as of the date indicated below:

Annie King-Meredith
Board Member Signature

Febr. 7, 2022
Date

Annie King-Meredith
Print Name

Please indicate what housing or development related expertise you feel you bring to the CHDO as a member of the board:

**MEMBER DESIGNATION FORM**
**(This form must be completed by each Member of the Board).**

☐ 1. **I am a low-income resident of the community**. Low-income resident must have a household income at or below the 80% of the area median household income for the area in which he or she lives, according to HUD. (Community can mean neighborhood, the city, county, or metropolitan area)*

☐ 2. **I am a resident of a low-income neighborhood.** A low-income neighborhood is an area where 51% or more of the households in that Census tract have incomes at or below 80% of the area median household income, as defined by HUD. (This does not mean that you must be a low-income person only that your residence is in a low-income neighborhood.) The address of my principal residence is:

_____

☒ 3. **I am an elected representative of a low-income neighborhood organization.** (A low-income neighborhood organization is an organization composed primarily of residents of a low-income neighborhood. Examples of such organizations are: block groups, town watch organizations, civic associations, neighborhood church groups, etc.)

The Name of this organization is: Shields-Reid Neighborhood Council, President
Attached to this designation form is evidence of election (appointment) by the low-income members of the organization.

☒ 4. **I am a representative of the public sector. I am a/an:**

- ☐ Elected public official
- ☐ Appointed public official
- ☐ A public/government employee of a public agency or department
- ☒ Appointed by a public official to serve on this CHDO

☐ 5. **I am a representative appointed by the for-profit entity which created or sponsored this CHDO.**

☐ 6. **Other.**

* **If you are designated as Low-Income member, please indicate how your eligibility was determined by the CHDO.**

I agree to notify the CHDO board if my representation status as a CHDO board member should change during my tenure on the board. I certify that the information provided above is correct as of the date indicated below:

Marena Brown — Board Member Signature

2/4/2022 — Date

Marena Brown
Print Name

Please indicate what housing or development related expertise you feel you bring to the CHDO as a member of the board: Committed community leader, resident and advocate for making affordable housing available to qualified individuals and families, fostering team work, seeing the big picture as a non-experienced housing individual.

CHDC
Community Housing Development Corporation

## Jennifer Hicks, Board President

Former Director of HousED Director oversees all aspects of the housing work, which is designed to build and maintain relationships between housing agencies and key partners to embed youth development best practices into the environment of housing, creating a pathway out of poverty for children and youth. This work includes supporting public and affordable housing agencies in implementing the cycle of quality improvement, coordinating a network of a diverse set of stakeholders, communicating learning at local, state, and national forums, creating resources for the housing field (for example, standards, assessment tools, curriculum, TA manual, and communication briefs) and **tracking**

## Larry Taylor, Vice President

Larry Taylor is a lifelong resident of Oakland who has been a strong advocate for affordable housing with a long-standing involvement in community affairs and civic leadership. Currently he serves on the Board of Directors of (CHDC) Community Housing Development Corporation of North Richmond. Additionally, he served as the Vice Chair of the Alameda County Housing and Community Development Advisory Committee, 1994 - 2012 and as Vice President of East Bay Housing Organizations (EBHO), 2000 - 2006. Additionally, Larry has served on the Oakland Licensed Day Care Operators Association - Board of Directors, 1997 - 2000, Conciliation Forum of Oakland Board of Directors, 1995 -1997, the North Oakland Community Development Board Chairperson, 1986-1992, the North Oakland Housing Committee - Chairperson; 1986 - 1992 the North Oakland District Council Executive Member of the Board; 1983 - 1999. Council of Seven Community Development District Chairpersons - Chairperson; 1988 - 1992, Oakland Business Development Corporation-Board of Directors; Chairperson 1990 - 1992 and the Board of Directors; Vice-Chairperson 1988 - 1990, City of Oakland's Economic Development Advisory Commission-Commissioner; 1988 - 1992, Neighborhood Commercial Revitalization Committee-Committee Member; 1988 - 1992, Black Infant Mortality Forum- Executive Committee; 1989-1991, City of Oakland Mayor's Minority Community Equity Task Force Member; 1990.

## Maria Hardy-Benjamin, Board Secretary

Ms. Benjamin has designed and implemented housing programs in the non-profit sector for over twenty years. She established Community Housing Development Corporation's First Time Homebuyer Program in 2002. Under her leadership, CHDC has become a HUD approved homeownership center serving over 350 clients annually. She is a leader in foreclosure and predatory lending prevention activities throughout the Bay Area. Additionally, she was instrumental in the implementation of CC – MATCH - (Contra Costa –

Moving Assets Toward Community Hands) a financial education and Individual Development Account program. Prior to joining CHDC, Ms. Benjamin served as Program Director for East Bay Housing Organizations, a regional affordable housing advocacy organization. She has worked as a consultant to both East Bay and Peninsula Habitat for Humanity and the City of Alameda Housing Authority. For almost 10 years, Ms. Benjamin assisted hundreds of homeowners as Program Director for the Northern California Land Trust where she designed and implemented a cooperative housing and homeownership program and provided training on the land model to community organizations and faith-based groups on a national level. She currently sits on the Steering Committee for the Northern California HUD Housing Counseling Network and is a member of the Board of Directors of two local homeownership programs. Ms. Benjamin holds a Professional Certificate in Homeownership and Community Lending from NeighborWorks America, and is a certified Credit and Reversed Mortgage Counselor. She earned her bachelors degree from New College of San Francisco. Maria and her husband of 25 years have raised three children and live in Richmond.

## Fred Lambright, Board Treasurer

Fred Lambright joined Mechanics Bank in 2014. He currently works at the corporate headquarters located in Walnut Creek, CA, as the Bank's Community Reinvestment Act Officer heading the Community Development Group. Prior to joining the Bank, Fred worked at the Federal Home Loan Bank of San Francisco for twelve years in Community Development, then established an affordable housing and economic development consulting business and was the primary consultant.

Mr. Lambright graduated from the University of San Francisco with a Bachelor of Science in Economics. His greatest accomplishment while at Mechanics Bank is he helped the Bank to achieve its first Outstanding CRA rating. This rating, assigned by banking regulators is awarded to approximately 8% of banks nationally, was given by the FDIC.

A native of Charleston, SC and he currently resides in Concord, CA. When not working, Fred enjoys spending time with family and friends. He is also committed to his community and believes in supporting nonprofit organizations that strive to improve the lives of low to moderate income community residents. He serves as a board member with one affordable housing and three arts organizations.

## Lesley Stewart, Board Member at Large

Entrepreneurial executive with more than 15 years of experience in relationship building and recruiting top sales professionals. Exceptional communicator with a motivational management and sales style, strong negotiation skills, exceptional problem-solving abilities, and a keen client needs assessment aptitude. Solid understanding of business economics with proficiency in meeting financial goals and improving the bottom line.

## Marena Brown, Board Member

I have worked for the West Contra Costa Youth Service Bureau for 22yrs. as a Mental Health Rehabilitation Specialist, as a Program Manager; which is a comprehensive community-based agency designed to improve coordination of services to children, youth, and families residing in Contra Costa County. The Bureaus' direct services programs include Wraparound Services for Medi-Cal eligible children/youth 8-18 years old. A Kinship Support Services Program for relative caregivers, family preservation support services, youth development, community collaborative Building Blocks for Kids (BBK) which serves Iron Triangle neighborhood in Richmond. WCCYSB serves west, central and east regions of Contra Costa County.

## Annie King-Meredith, Board Member

Retired
Contra Costa County Neighborhood Service Coordinator/Project Manager:
Coordinated activities in consistent with programs out comes and planned strategies; Develops and implements specific proposals, plans and procedures necessary caring out programmatic priorities; Oversees the implementations and delivery program ensure all components are timely, effective and appropriate. Assists the SIT Program Manager in developing, administering, amending and monitoring Neighborhood Programs budget. Formulates, presents and implement recommendations concerning programs operations and staffing needs. Develops contract work plans and over sees work of contract and collaborating agencies to ensure that commitments are being met and desired outcomes are being achieved. Develop and presents training programs to staff on program process, policies and procedures. Provides direction to Program staff, coordinates, participates, and represents SIT in a wide range of community events, program and activities.

CHDC
Community Housing Development Corporation

# Board Agenda

- Call to Order!
- Consent Calendar Items:
  - CHDC Board Minutes
- Executive Directors Verbal Reports
- Resolutions
- n-going/New Business
- Correspondence
- Board Committee Reports
  - Executive
  - Governance
  - Development
  - Finance
  - Audit
  - Community Engagement
- Adjournment

November 18, 2020

**Board Members:** Joseph Villarreal- Marena Brown -Larry Taylor - Kathryn Hoover - Annie King-Meredith Jennifer Hicks - Maria Hardy-Benjamin-Fred Lambright-Leslie Stewart-Harriette Langston

**CHDC:** Donald Gilmore - Charles Fowlkes -Darlene Williams- Aluah Alishlah- Shane Sutherland - Vivian Rahwanji

**Call to Order**

Larry Taylor called meeting to order 6:02pm

**Agenda Approval**

Larry called for a motion to approve agenda: MSP; Marena Brown/Fred Lambright

**Minutes Approval**

Larry called for a motion to approve the September 16, 2020 minutes as presented: MSP; Fred Lambright /Marena Brown

**Financials**

Charles Fowlkes, CFO presented report on consent as it was previously review and approved by the Executive Committee members on November 4, 2020 Executive Committee Meeting

The CHDC SEPTEMBER YTD net income shows a surplus of

$712,346 - Revenue totaling $3,018,027 against Expenses of

$2,305,681.

Revenue - September

Account# 4010 - Government Grants & Contracts -$150,000 - total NeighborWorks (NW) funding $50,000 Eviction Prevention & Emergency Rental Assistance and $50,000 for the home buyer and lending department to support an established lending line of business; NW grant for the REDI Initiative and NW $10,000 funding for capacity building /organizational

Account# 4015-Non -Government Grants & Contracts-7,000-total-Capital One Services donated $5,000 toward the HB program and

$2,000 from JP Morgan Chase Bank through NeighborWorks to support the participation of two grantee staff members in the four-week Financial Capability Learning Lab Intensive.

Account# 4115-Project Management Fees - $5,337 total -CPMC payment to CHDC for Admin fees

Account# 4145- Underwriting& Processing Fee - $6,935 total-Eleven (11) subornation fees at $500 totaling $5,500 and a CalHome processing fee of $1,435.

[illegible] Jackson Way REACH site for August rent.

Expenses- September

Account# 7075 Low Carbon-ARB -_$19,500 total -Grant expense for four client cars through the State ARB Transportation program (3 @ $5000 each and one client for $4,500.

Larry called for a motion to accept the financial on consent; MSP; Annie King Meredith/Marena Brown

**2021 Proposed CHDC Budget Review presented by Charles Fowlkes, CFO**

The CHDC 2021 Budget consist of some uncertainties in the revenue section. Given the COVID-19 environment many agencies and funders have challenges before them that may impact on our projections. CHDC staff presented what we believe is our best projections with what data we had at the time.

***Revenue:***

- Government Grants - Every department submit their best estimate of what they believe would be approve in this category. Government contracts for the most part is on a fiscal period (July 2020 thru June 2021) but may not have been approval yet. They are programs like the Mitigation, ARB Transportation and City of Vallejo home buyer grants.

- Foundation Grants are supported mostly by foundations banks and other agencies for the homebuyer, transportation, and community building departments.

- Development fees (Barrett Terrace project) will be confirmed sometime early in 2021 when the financing is approved.

- Project Management and service fee consist of different fee structure in the homebuyer/lending department. We also anticipate funding from the Community First Lending and Community Asset Realty entities.

- Partnership Management fees are based on partnership agreements and are determine on surplus cash.

***Expenses:***

- Salary and Fringe Benefits - there are six (6) vacant positions listed in this budget

  - Human Resources Manager
  - Resources Development Director
  - REDI Manager
  - Senior Accountant
  - Project Manager in the development department
  - Senior Lending Specialist

Donald Gilmore, Executive Director (ED) provided a verbal report to the committee...

We are administering the LIFT Program funds in the amount of $25k per home buyer, because we are administering the program is getting a lot of recognition in the media, Don believes that the Homebuying Department has the potential to grow and be once again one of CHDC's major steams of revenue.

CHDC has also signed a contract with Balance to provide rental counseling that will pay CHDC's per $750 per counseling session. We are also in contract with NeighborWorks (NWA) to provide counseling service to homeowners that will also pay CHDC $750 per client.

Larry called for a motion to accept the ED report on consent; Annie King-Meredith/Marena Brown

**Committee Updates**

None

**Resolutions**

None

**Old/New Business**

None

**Correspondence**

None

**Adjournment**

Adjourned 6:54pm

Jenny Hicks | Larry Taylor | Maria Benjamin | Fred Lambright
Lesley Stewart | Joseph Villareal | Annie King-Meredith| Marena Brown | Kathryn Hoover

**Staff Liaisons**
Donald Gilmore | Charles Fowlkes | Darlene Williams
Shane Sutherland | Vivian Rawhanji

**Call to Order**

Jenny Hicks called meeting to order 4:00pm

**Agenda Approval**

Jenny called for a motion to approve agenda: MSP; Maria Benjamin/Fred Lambright

**Minutes Approval**

Jenny called for a motion to approve minutes presented for January 20, 2021, minutes; MSP: Joseph Villarreal /Maria Benjamin.

**Financials**

**Charles presented for January - March 2021**

**The CHDC March YTD net income shows a surplus of $911,527 - Revenue totaling $1,883,897 against Expenses of$972,370.**

Revenue - March

Account# 4010 - Government Grants and Contracts - $934,825 total- CARB - Low Carbon Transportation $60,000 remaining balance of funds against the $2M grant period; annual NeighborWorks funding that consist of $290,000 unrestricted capital grant funds, $190,000 expendable grant funding and $11,500 received from NeighborWorks to carry out community development programming; PPP forgiveness of $349,700 dated 3/21 with interest of the PPP loan of $3,041. We also received $524 of CCC Senior Nutrition Program funding.

Account# 4015 - Non- Government Grants and Contracts -

$172,200 total - Chevron grant of $16,000 toward 515

Solver/Multicultural Family Center; MUFG Union bank FY 20/21 Asset Building Program (HB) $30,000 funded; Enterprise Comm Partners funding toward the impact df the COVID-19 pandemic totaling

$100,000; $1,200 Community Vision Capital & Consulting CA Fresh Works Grant and East Bay Community Fdtn/ AS CED BLD Fund -Capacity Building totaling $25,000.

Account# 4115- Project Management Fees -$8,763- CPMC payment to CHDC for Adm n Fees.

Account# 4145 - Underwriting& Processing Fee - $5,889 total -Subornation fees at $500 each and $280 processing and wire fees related the LIFT.

Account# 4510 - Program Fees - $18,817 total - Homebuyer fees including $2,502 including E Home ACH payment; STRIPE online funding $1,140 and $15,400 from NeighborWorks LIFT Fees program based 11 borrowers at $1,400 each.

State ARB Transportation program

**The CHDC February YTD net income shows a surplus of $79,998 -Revenue totaling $724,693 against Expenses of $644,695.**

Revenue - February

Account# 4145-Underwriting& Processing Fee - $3,565 total of Eight (8) subornation fees at $500 each and $65 payoff fee

Account# 4510 - Program Fees - $15,115 total - Homebuyer fees including $11,740 from e-Home ACH payment

Account# 4550-Rental Receipts - $2,100-1722 Fred Jackson Way REACH site for February rent.

Expenses - February

Account# 7075 Low Carbon-ARB -_$66,500 total- Grant expense for Eleven client cars through the State ARB Transportation program totaling $52,500 and EV Charger cost in the amount of$14,000.

**The CHDC January YTD net income shows a surplus of $302,131 Revenue totaling $669,075 against Expenses of$366,944.**

Revenue - January

Account# 4010-Govemment Grants & Contracts - $637,625 grand total _ ARB CARB-Low Carbon Transportation advance $607,625 and $30,000 LIFT payoff

Account# 4015 - Non-Government Grants & Contracts -$8,333 total - Richmond Community Fdtn Connects (Richmond Rapid Response Fund grant.

Account# 4115 - Project Management Fees - $8,763 total- CPMC payment to CHDC for Admin fees

Account# 4145- Underwriting & Processing Fee - $4,000 total-Eight (8) subornation fees at $500 each

Account# 4510- Program Fees - $5,487 total-Homebuyer fees

Account# 4550- Rental Receipts - $2,100 -1722 Fred Jackson Way REACH site for December rent.

Account# 4810 - Contribution - $2,300- Board member outside contributions

Expenses - January

Account# 6910 Conference/Workshops fees -_$9,500 total-NeighborWorks training

Account# 7075 Low Carbon-ARB -_$30,000 total- Grant expense for Six client cars through the State ARB Transportation program at $5,000 each.

Jenny called for a motion to approve Financials: MSP; Joseph Villarreal /Maria Benjamin

**Executive Directors Report**

Donald Gilmore, Executive Directors provided a verbal report to the board

Wells Fargo/Neighborhood LIFT program started on 2/1/21, we already have 259 participates for the program. Participates will be selected at random for the program.

constructions we should know the outcome of this by April 28, 2021, after the CDLAC meeting

Hacienda was awarded Tax Credit and the groundbreaking be plan for May-April 2021

We are still planning to have a Grand Opening for Heritage and CHDC's 30yr Anniversary which will be held virtual. Heritage Resource Center is in the final stages with hope of opening in October 2021 the center will assist the community in obtaining jobs in the North Richmond area

Economic Development Administration Grant Loan Servicer contract with AmeriNat has been fully executed we will b applying for additional funds for both Alameda and Contra Costa County to support this initiative.

Engaged with City of Richmond with Richmond Village (Easter Hill) preservation deal.

The Black Developers Forum (BDF) was supported by San Francisco Foundation with a grant for $200K

We have been assisting resident with rental assistance due to hardship related to COVID

Our homebuying counselor department has been referring clients in need of rental assistance to the State's CERA USC rental assistance program.

We received operational grants from the following agencies ....

- San Francisco Foundation - Black Developer Forum Grant $220K
- NeighborWorks America - Multi Departmental Grants approx. total YTD1 $515K
- YH Soda -Operational Grant $100k
- Grants in the pipeline include but not limited to ...
- Liberated Capital- Decolonizing Wealth Fund
- 2021 AHEAD Program Grant
- Bank of America Charitable Foundation Philanthropic Strategy
- Policy Fund Breakthrough Grant
- Black Freedom Fund

Jenny called for a motion to approve Executive Directors verbal report: MSP; Joseph Villarreal /Maria Benjamin

**Resolutions**

None

**Old/New Business**

None

**Correspondence**

None

**Committee Reports**

Resource Development Committee: Maria provided a report for the met to discuss clarifying the goals of the board committee, Maria took the lead on developing a new scope of work that the board should be more evolved in versus the duties that the staff will handle that include marketing and approvals

that would be a great use for the communities we serve ( https://mechanicsbank.event-next.net/student/dashboard/mechanicsbank-consumer/owning-a-home )

Governance Committee: Jenny informed the board that there is no update to the charter at this moment. John Gregory has decided to step down as a board member, however he will remain an active committee member. This committee will be meeting on a monthly basis to gear up the recruiting process

Real Estate Development Committee: Fred informed the board that they met to review the Colusa project in Richmond, there were some questions posed to the development team that the committee needed answer for.

Lending Committee: No updates

Audit Committee: No updates

**Adjournment**

Adjourned 4:30pm

June 2, 2021

Board Committee: Jenny Hicks | Larry Taylor | Maria Benjamin | Fred Lambright | Lesley Stewart

Staff Liaison: Donald Gilmore | Charles Fowlkes | Darlene Williams | Shane Sutherland | Vivian Rawhanji

**Call to Order**

Jenny Hicks called meeting to order 4:35pm

**Agenda Approval**

Jenny called for a motion to approve agenda: MSP; Maria Benjamin/Larry Taylor

**Minutes Approval**

Jenny called for a motion to approve minutes presented for April 7, 2021, minutes; MSP: Larry Taylor/Maria Benjamin.

**Financials**

Charles presented for April 2021.

The CHDC April YTD net income shows a surplus of $680,472 - Revenue totaling $1,993,583 against Expenses of $1,313,111.

***Revenue -April***

Account# 4010-Government Grants and Contracts - $20,545 total- NeighborWorks funding that consist of $20,000 for Pandemic Recovery Initiatives and $545 of CCC Senior Nutrition Program funding.

Account# 4115 - Project Management Fees -$17,525-CPMC two payment to CHDC for Admin Fees.

Account# 4115-Program Management Fees - $5,000-GRID Alternative Inc. consulting services

Account# 4145 -Underwriting& Processing Fee - $11,647 total - Subornation fees at $500 each; $280 processing and wire fees related the LIFT.

Account# 4510-Program Fees - $42,680 total-NeighborWorks LIFT Fees program based 29 borrowers at $1,400 each.

Account# 4550-Rental Receipts - $2,100-1722 Fred Jackson Way REACH site for February rent

***Expenses - April***

Account# 7075 Low Carbon-ARB -_$57,000 total - Grant expense for Eight client cars through grants funded by the State ARB Transportation program totaling $39,000 and $18,000 EV charger grant

the funds should be allocated.

Jenny called for a motion to approve Financials: MSP; Lesley/Larry Taylor – motion passed

**Executive Directors Report**

Donald Gilmore, Executive Directors provided a verbal report to the board

Darlene provided updates on the Wels Fargo LIFT Loans, we currently have closed 65 loans and in addition to that the slots where open again for the month of June, 50 more people applied for the 13 slots opens which a lottery had to be done for. CHDC has also been selected by the City of Vallejo to administer the down payment assistance funds for first time homebuyers. CHDC has also partnered with LISC and the State of California to assist renters to get funds to pay outstanding rent

Don provided a update on Las Deltas no MOU has been issued for the site nor the scattered sites, we are currently work on another MOU with local stakeholders making CHDC the master developers for all sites. Jim Kennedy will be the MOU facilitator since he is aware of the pervious history creating the past MOU.

The Hacienda groundbreaking took place last month virtually where we played a short video showing the locations. CHDC sill be doing a virtual open house for Heritage Point

Barrett Terrace was awarded Tax Credit as a BIPOC developer, now we are bidding for lenders and investors so we may determine a groundbreaking for terrace. Friendship Senior project will be awarded No Place Like Home funding and we're looking to break ground in 2022

A Director or REDI was hired this month Nicole Ennix and she'll be introduced at the next Board meeting.

We have made it requirement to have all staff member fully vaccinated by July 15th

Don is working with Charles on a revised CHDC Budget some of the data still needs to be worked through, Don proposed presenting the proposed budget at the next executive committee meeting.

Jenny called for a motion to approve Executive Directors verbal report: MSP; Larry Taylor/Maria Benjamin – motion passed

**Resolutions**

None

**Old/New Business**

None

**Correspondence**

None

**Adjournment**

Adjourned 4:55pm

September 15, 2021

Board Committee: Jenny Hicks | Larry Taylor | Maria Benjamin | Fred Lambright | Lesley Stewart Annie King-Meredith | Marena Brown | Kathryn Hoover

Staff Liaison: Donald Gilmore | Charles Fowlkes | Darlene Williams | Shane Sutherland | Vivian Rawhanji | Aluah Alishlah

**Call to Order**

Larry Taylor called meeting to order 4:40pm

**Agenda Approval**

Larry Taylor called for a motion to approve agenda: MSP; Maria Benjamin/Larry Taylor

**Minutes Approval**

Larry called for a motion to approve minutes presented for April 7, 2021, minutes; MSP: Lesley Stewart/ Marena Brown

**Financials**

Charles Fowlkes, CFO presented for July 31, 2021.

The CHDC July YTD net income shows a surplus of $831,069-Revenue totaling $3,210,031 against Expenses of $2,378,962.

**Revenue - May, June and July**

Account# 4010 - Government Grants and Contracts - $224,390 total- CCC Mitigation program funding for $35,406; City of Vallejo pre-purchase homebuyers & education program funding totaling

$11,090; 515 Silver CCC funding for $10,094; City of Richmond Remediation funding of $99,698 for Legacy; LISC funding of $24,815 to assist in partnering with faith base organizations; NeighborWorks

(NW) funded $22,500 for capacity building; NW $4,000 for CLI Action Plan and NW $14,493 for the homebuyer program.

Account# 4015 - Non - Government Grants and Contracts $207,019 total - received $54,889 from Richmond Community Foundation; Y &H Soda Foundation funded $100,000 for general operating support and East Bay Community Foundation (ASCENO BLO) contributed $50,000 for general support.

Account# 4115 - Project Management Fees -$26,288 - CPMC three payments to CHDC for Admin Fees.

Account# 4120- Partnership Management Fees - $191,958 - Lillie Mae Jones funded at $12,256 and Pullman Point fee paid at $179,702

Account# 4145 - Underwriting& Processing Fee - $12,905 total - Subornation fees at $500 and $280 processing and wire fees related the LIFT.

**Expenses -May, June, and July**

Account# 7075 Low Carbon-ARB-_$160,000 total-Grant expense for thirty client cars through grants funded by the State ARB Transportation program totaling $142,000 and $18,000 EV charger grant

Larry called for a motion to approve financial as presented : MSP; Fred Lambright/Lesley Stewart

**Executive Directors Report**

Due to the coronavirus/covid19 CHDC staff's work schedule varies between on site and working remotely. All staff are vaccinated and continue to wear mask inside the offices as well as following all the other covid19 precautions. CHDC continues to increase revenue through grants and program income. Please see the financial report attached for narrative and the exact numbers. The Report is on the consent calendar for the Board meeting.

The Grand Opening for Heritage Point was held remotely on July 20th and was a great success! Thank you to all the Board and Staff that participated and were able to attend. A special thanks to Darrylyn Swift and Shane Southerland for their leadership in making the event a success. It was also the introduction of the Black Wealth Initiative which has already raised over 12k and a promise of 1 00k buy local church members. They were featured at the event.

Barrett Terrace received State tax credits and is scheduled to close in October 2020. CHDC's pipeline continues to increase including the Faith Based Initiative with Churches in the Eastbay. Heritage Point continues to work on out Placed in Service (PIS) application with the State. Barrett Plaza's PIS is completed.

The Wells Fargo-NeighborWorks Neighborhood Lift down payment assistance and education program continues to produce homebuyers. Of the 359 slots for 20K for each buyer in assistance CHDC has closed over 1/3 of the slots. See Homebuyer report for further information attached. The program is projected to be completed in 2022.

The Budget revisions for mid-year were reviewed and recommended for approval by the Executive Committee, retroactive to July 1, 2021, and will be on the consent calendar for approval at the Board meeting. The update and review of CHDC's Strategic Plan will be presented at the Board meeting.

Larry called for a motion to approve Executive Directors consent report: MSP; Fred Lambright/Annie King-Meredith

**Resolutions**

RESOLUTION NO. 2021-18

Submittal of an application to the California State Department of Housing and Community Development for funding under the Multifamily Housing Program; and if selected, the execution of a standard agreement, any amendments thereto, and of any related documents necessary to participate in the Multifamily Housing Program. application to the Department to participate in the MHP program and for

Construction of the Friendship Senior Housing Development that will be comprised of 34-1brs; 15 studios; and 1-2br manager's unit, for seniors. The living units will be comfortable, attractive, and constructed on a podium over 44 parking spaces and the community/activity room. Amenities will include a lounge space at each residential level, a large community/activity room with kitchen at the first level, a laundry room on each floor, a mailroom, and a spacious open courtyard The development will be located at 1904 Adeline Street, Oakland CA 94607.

Larry called for a motion to approve resolution#2021-18: MSP; Fred Lambright/Annie King-Meredith

**Old/New Business**

Darrylyn Swift provided update on strategic plan on where we are at this time (Please see attachment)

**Correspondence**

None

**Adjournment**

Adjourned 5:40pm

# CERTIFICATE *of* ACHIEVEMENT

THIS ACKNOWLEDGES THAT

## Donald Gilmore

Community Housing
Development Corporation

HAS SUCCESSFULLY COMPLETED THE

**NeighborWorks® America Excellence in Governance Program**
**Class of 2020**

OCTOBER 17
2020

*, Team Coach*

NeighborWorks®
AMERICA

# EXCELLENCE IN GOVERNANCE

# Agenda

**Aug 15-16, 2020 - Your House - Your Town, Your State**

## Friday, 8/14 Schedule

| Pacific | Mountain | Central | Eastern | |
|---|---|---|---|---|
| 4pm | 5pm | 6pm | 7pm | **EIG Turtle Hour - Click Here to Join** (optional)<br>Hurry up and join us! Then let's slow down and connect.<br>Bring your beverage. |

## Saturday, 8/15 Schedule

| Pacific | Mountain | Central | Eastern | |
|---|---|---|---|---|
| 8:15am | 9:15am | 10:15am | 11:15am | **DAY 1 OPENING - Click Here to Join** - (55 min)<br>Welcome, Introductions, and Setting the Stage |
| 9:10am | 10:10am | 11:10am | 12:10pm | **BREAK** (30 min) |
| 9:45am | 10:45am | 11:45am | 12:45pm | **PRE-WORK VIDEO DISCUSSION** (45 min)<br>☐ Root Causes: History & Present Day Redlining<br>☐ The Role of Boards in REDI<br>☐ How Boards Can Support Executives in These Times<br>☐ Risk Leadership at the Board Level |
| 10:30am | 11:30am | 12:30pm | 1:30pm | **BREAK** (30 min) |
| 11:00am | 12:00pm | 1:00pm | 2:00pm | **ROUNDTABLES** (50 min)<br>☐ Inclusive Meeting Practices<br>☐ Investing in Board Culture<br>☐ Community Voices in the Boardroom<br>☐ Forging REDI Partnerships for Community Work<br>☐ Prioritizing Continuous Learning for the Board<br>☐ Building & Nurturing your Board Pipeline<br>☐ Creating & Using Equity Filter |
| 11:50am | 12:50pm | 1:50pm | 2:50pm | **ADJOURN DAY 1** |

## Sunday, 8/16 Schedule

| Pacific | Mountain | Central | Eastern | |
|---|---|---|---|---|
| 8:15am | 9:15am | 10:15am | 11:15am | **DAY 2 OPENING - Click Here to Join** (75 min)<br>Welcome to Sunday; Graduate Spotlight |
| 9:30am | 10:30am | 11:30am | 12:30pm | **BREAK (30 min)** |
| 10:00am | 11:00am | 12:00pm | 1:00pm | **BRING 'N BRAG** (45 min)<br>Leadership Team Presentations & Performances |
| 10:45am | 11:45am | 12:45pm | 1:45pm | **BREAK** (30 min) |
| 11:15am | 12:15pm | 1:15pm | 2:15pm | **Making It Stick: Leadership Team Reflection + Opportunities** (75 min) |
| 12:30pm | 1:30pm | 2:30pm | 3:30pm | **ADJOURN DAY 2** |

## Objectives for This Training

- Dig into governance topics with others in the larger cohort
- Continue to explore how REDI can be woven throughout our governance work
- Decide on the most important messages and 2-3 recommendations to take to the board regarding how to use the $10,000 completion grant to take home to the full board
- Explore strategies for making program learnings 'stick' after October

# Pre-Work

## Individual Pre-Work

☐ **WATCH:** Watch *at least* one of the following videos prior to Saturday, August 15. When choosing your topic – you're encouraged to stretch your learning. For example – if you already know A LOT about the history/current day realities of redlining – then stretch yourself and select a different topic. If the link is not working for a video – simply copy/paste the title into your search engine of choice (like Google or DuckDuckGo).

☐ **REFLECT:** Capture your thoughts on these two questions & bring them with you on August 15. We will break into groups based on the video you watched to discuss.

1. What stood out to you when you watched the video?
2. Has our board talked about this topic? If yes, where did this topic take us/what came of it? If not – what might happen if we did?

| | |
|---|---|
| **Root Causes: History & Present Day Redlining** (watch both videos) | Housing Segregation and Redlining in America: A Short History \| NPR (with apologies for the curse word in the first 7 seconds) National Public Radio (NPR) - Running time = 6:36<br><br>How the Racial Wealth Gap was Created excerpts from California Newsreel's Race – The Power of an Illusion Running time = 29:18 |
| **The Role of Boards in REDI** *(Part II of two-part webinar)* | Beyond the Board Statement: How Can Boards Join the Movement for Racial Justice? Part II Nonprofit Quarterly - Running time = 1:32:19 |
| **How Boards Can Support Executives in These Times** | How Effective Nonprofit Boards Support Their Executives Midwest Center for Nonprofit Leadership - Running time = 59:22 |
| **Risk Leadership at the Board Level*** | Practical Tips to Inspire Board Risk Leadership Nonprofit Risk Management Center - Running time = 38:38<br><br>*To watch: Join the NRMC membership thru NeighborWorks America first in order to access. Login at www.nonprofitrisk.org<br>• click the white Affiliate Login button (or three bars) in the upper right,<br>• click the orange Create Your Account button,<br>• complete the short form and enter "NeighborWorks America" in the "Affiliate" line. |

## Leadership Team Pre-Work

☐ **WATCH:** EIG Graduate video – The Primavera Foundation, Round 1, Class of 2012 Graduate; recorded May 2018, Running time = 52:42
Peggy Hutchison, Executive Director, and Deb Wong, board member, of The Primavera Foundation, based in Tucson, AZ, Betsy Wallace, EIG Coach

**NOTE: Deb refers to "CHDO board members" – pronounced 'cho-doe'.*
*Community Housing Development Organization (CHDO) is special type of nonprofit designated by HUD. Many organizations in the NeighborWorks network are also CHDO organizations. At least one-third of a CHDO's governing board membership must include residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations. These members bring specific experience with/ knowledge of the community and constituents served by the nonprofit and can advise the organization in its decisions regarding the design, siting, development, and management of affordable housing.*

☐ **PREPARE YOU BRING 'N BRAG:** In no more than 7 minutes (timed), share a collective team response that spotlights one piece of your EIG work in a creative way. Maybe it's a skit, news interview, DIY segment, commercial, acceptance speech…and have fun!

- Think about the work of which your team is particularly proud – keep in mind the work does not need to be 'complete'. This is a great opportunity to share 'work in progress' for feedback!
- In the presentation/performance, be sure to capture your 'From/To' so we know how this work has evolved. Colleagues from other teams will have a chance to ask follow-up questions.
- Your presentation / performance is scheduled for Sunday, August 16, it can be live or recorded.
- **Capture your one piece of work (i.e., summary, template, sample) as a pdf and send to exingov@nw.org no later than Aug 8** so it can be included in the materials shared in advance.

# Zoom Tech Check Sessions (Optional)

Given that much of our weekend will depend on **access to shared screens for content and breakouts** – we're providing two **separate & identical** tech check sessions for anyone needing assistance with Zoom logistics and features. If neither time/date work for you – let me know & we'll work it out.

| 11:00-11:30a PT | 12:00-12:30p MT | 1:00-1:30p CT | 2:00-2:30p ET | TECH CHECK #1: Thursday, Aug 13 |
|---|---|---|---|---|

**How to Join**
Option 1: To join using a computer, click or cut and paste this link into your browser: https://nw-org.zoom.us/j/96789868547?pwd=alIrd25PMGdjWGRHOU12TEUvV2U0QT09
Then follow prompts to listen via computer or via phone audio. If your computer doesn't have speakers and/or you have better connection when you use a phone, follow these steps:

**Connecting audio via a phone line,** please make sure to connect via your computer first, select the "connect audio via phone" option, and please enter your participant ID as requested. Failure to follow these instructions may impact your ability to participate.

Option 2: To join by phone only - Dial: 312-626-6799 or 646-876-9923 or 301-715-8592
ID: 967 8986 8547# Passcode: 127020

| 10:00-<br>10:30a PT | 11:00-<br>11:30a MT | 12:00-<br>12:30p CT | 1:00-<br>1:30p ET | TECH CHECK #2: Friday, Aug 14 |
|---|---|---|---|---|

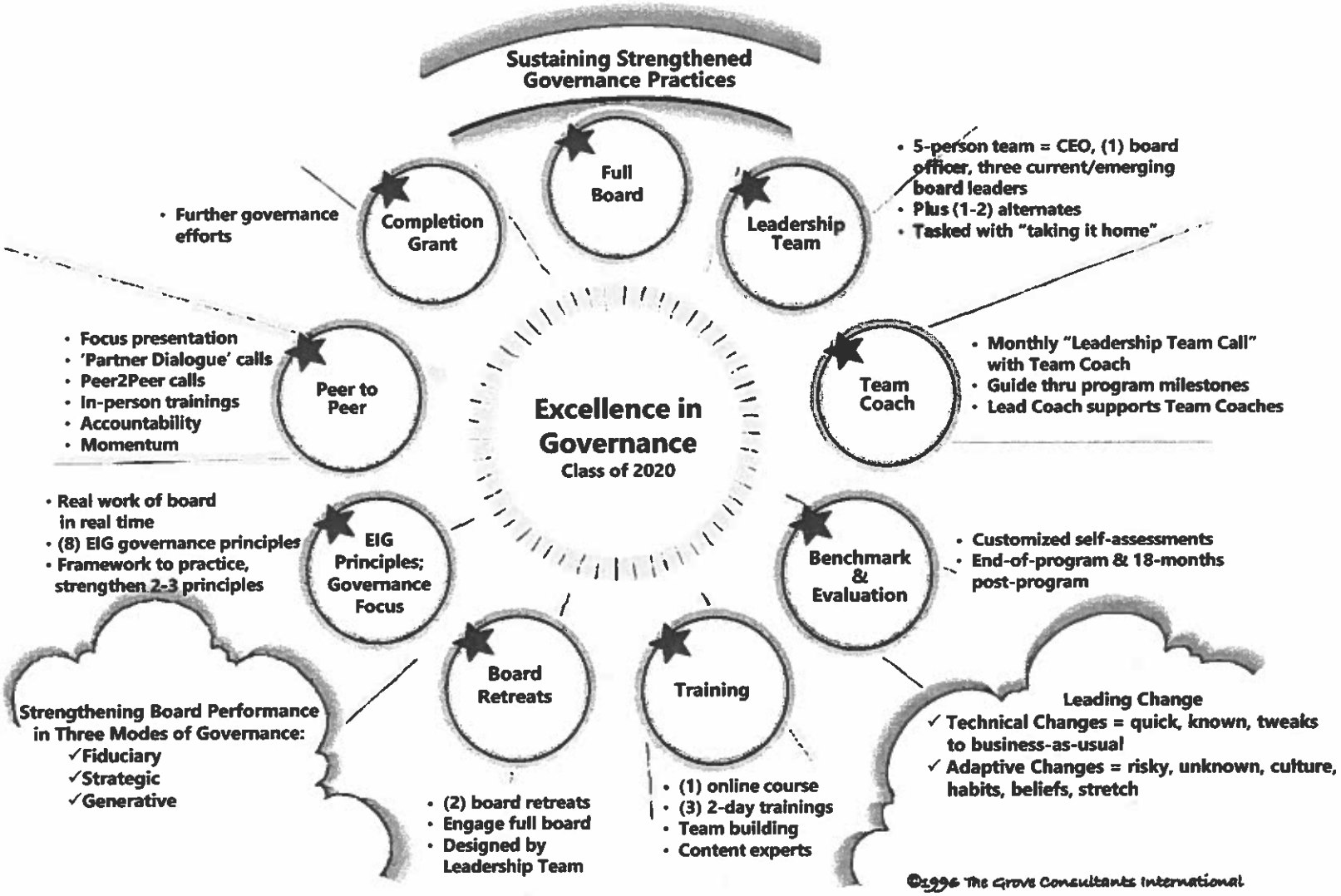
**How to Join**

Option 1: To join using a computer, click or cut and paste this link into your browser: https://nw-org.zoom.us/j/92625463255?pwd=ZXdDOWwwSEZUUy9mUW1YUHZXN3NjUT09

Then follow prompts to listen via computer or via phone audio. If your computer doesn't have speakers and/or you have better connection when you use a phone, follow these steps:

**Connecting audio via a phone line,** please make sure to connect via your computer first, select the "connect audio via phone" option, and please enter your participant ID as requested. Failure to follow these instructions may impact your ability to participate.

Option 2: To join by phone only - Dial: 312-626-6799 or 646-876-9923 or 301-715-8592
ID: 926 2546 3255# Passcode: 764076


Sustaining Strengthened Governance Practices
Full Board
Completion Grant
• Further governance efforts
Leadership Team
• 5-person team = CEO, (1) board officer, three current/emerging board leaders
• Plus (1-2) alternates
• Tasked with "taking it home"
Peer to Peer
• Focus presentation
• 'Partner Dialogue' calls
• Peer2Peer calls
• In-person trainings
• Accountability
• Momentum
Excellence in Governance
Class of 2020
Team Coach
• Monthly "Leadership Team Call" with Team Coach
• Guide thru program milestones
• Lead Coach supports Team Coaches
EIG Principles; Governance Focus
• Real work of board in real time
• (8) EIG governance principles
• Framework to practice, strengthen 2-3 principles
Benchmark & Evaluation
• Customized self-assessments
• End-of-program & 18-months post-program
Board Retreats
• (2) board retreats
• Engage full board
• Designed by Leadership Team
Training
• (1) online course
• (3) 2-day trainings
• Team building
• Content experts
Strengthening Board Performance in Three Modes of Governance:
✓Fiduciary
✓Strategic
✓Generative
Leading Change
✓ Technical Changes = quick, known, tweaks to business-as-usual
✓ Adaptive Changes = risky, unknown, culture, habits, beliefs, stretch
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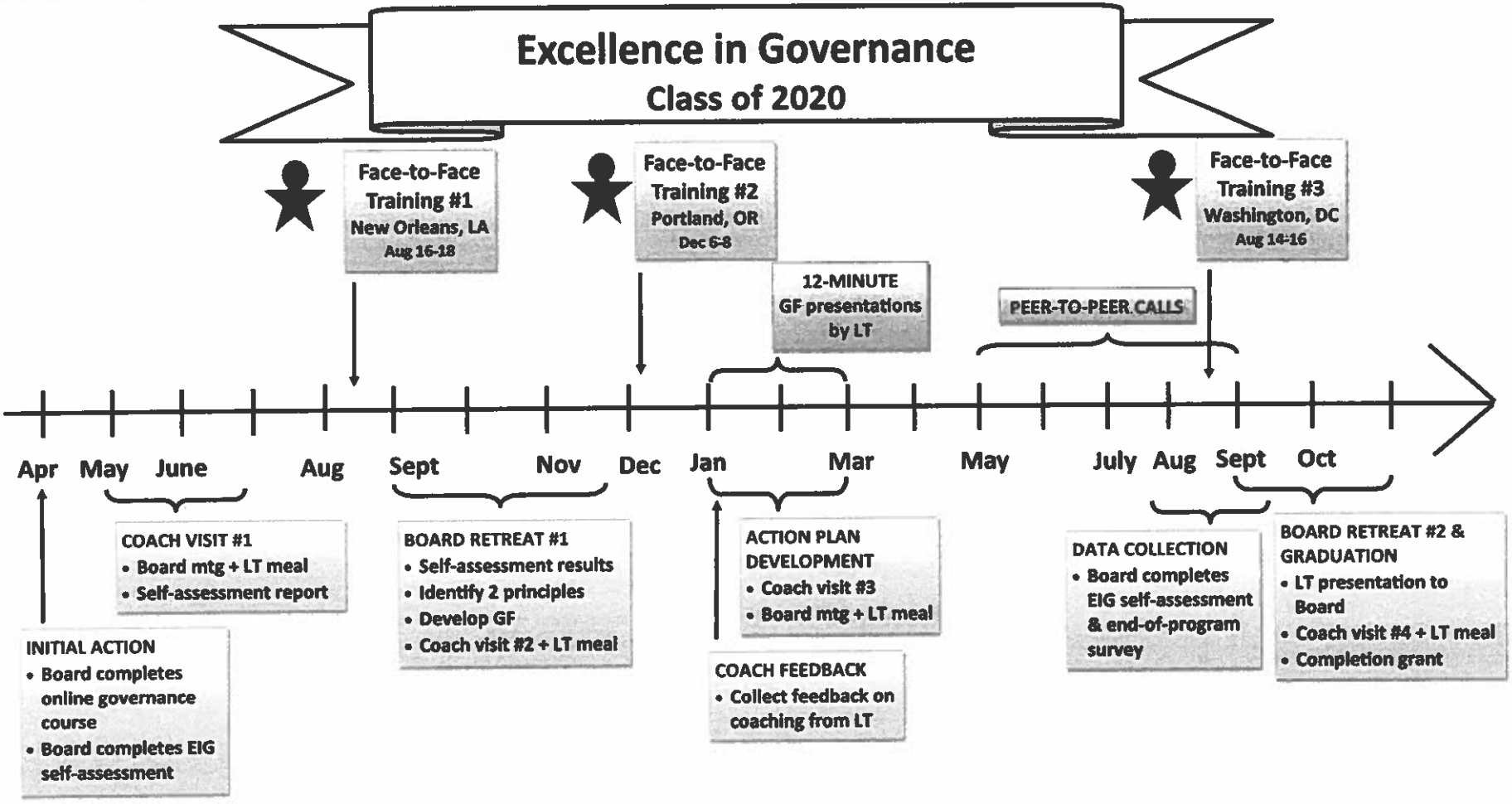
# Excellence in Governance
## Class of 2020




KEY:
EIG = Excellence in Governance GF = Governance Focus LT = Leadership Team (including CEO/ED) BOARD = full board

## TAB 7

**Copies of the following documents should be included with this tab**

- X **Organizational Brochure or other PR/info materials**
- X **Written Fiscal Policies and Procedures**
- X **Written Personnel Policies and Procedures**
- X **References – List with name, address, telephone, and email of at least 3 references for the organization, at least one of which is a financial institution.**
- X **Insurance coverages and workers compensation coverage**
- X **Annual Audit or Financial Statements for prior three years**

33 Market Study (prepared by 3rd party market study professional)

Not Applicable

CHDC
Community Housing Development Corporation

Sonoma Estates Marketing Plan

- Create a custom Sonoma Estates website with a dynamic available home listing feed (including community information, areas of interest, home pages, floorplans, video tour, financing options, etc.)
- Add Sonoma Estates Page to CHDC website with development details and links.
- Create a custom color photo brochure outlining the key property features.
- Mail photo postcards to the neighborhood residents, Vallejo renters and CHDC pool of buyers
- Create and distribute Have a presence on real estate third-party marketplace sites (like Zillow, Trulia, Realtor.com, Yahoo Real Estate, Google Maps, etc)
- Search Engine Optimization (SEO) for better visible placement in Google searches
- Social media marketing (Facebook, Instagram, Pinterest)
- Email marketing (consumers) to CHDC customers and prospects.
- Email marketing (realtors and brokers)
- Site, street and directional signage
- In-presentation to local Vallejo organizations, brokers, and lenders
- Radio advertising
- Print advertising in local Vallejo papers

REFERENCES LIST

Christia Katz Mulvey
Manager, Housing Development Services
City of Oakland – Housing & Community Development
250 Frank Ogawa Plaza, Oakland CA 94612
510.238.3623 (ph); 510.238.3691 (fax);
cmulvey@oaklandca.gov

Amalia Cunningham, AICP *(pronouns: she/her)*
Assistant Deputy Director
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Contra Costa County
30 Muir Road, Martinez, CA 94553
925-655-2881 (phone)
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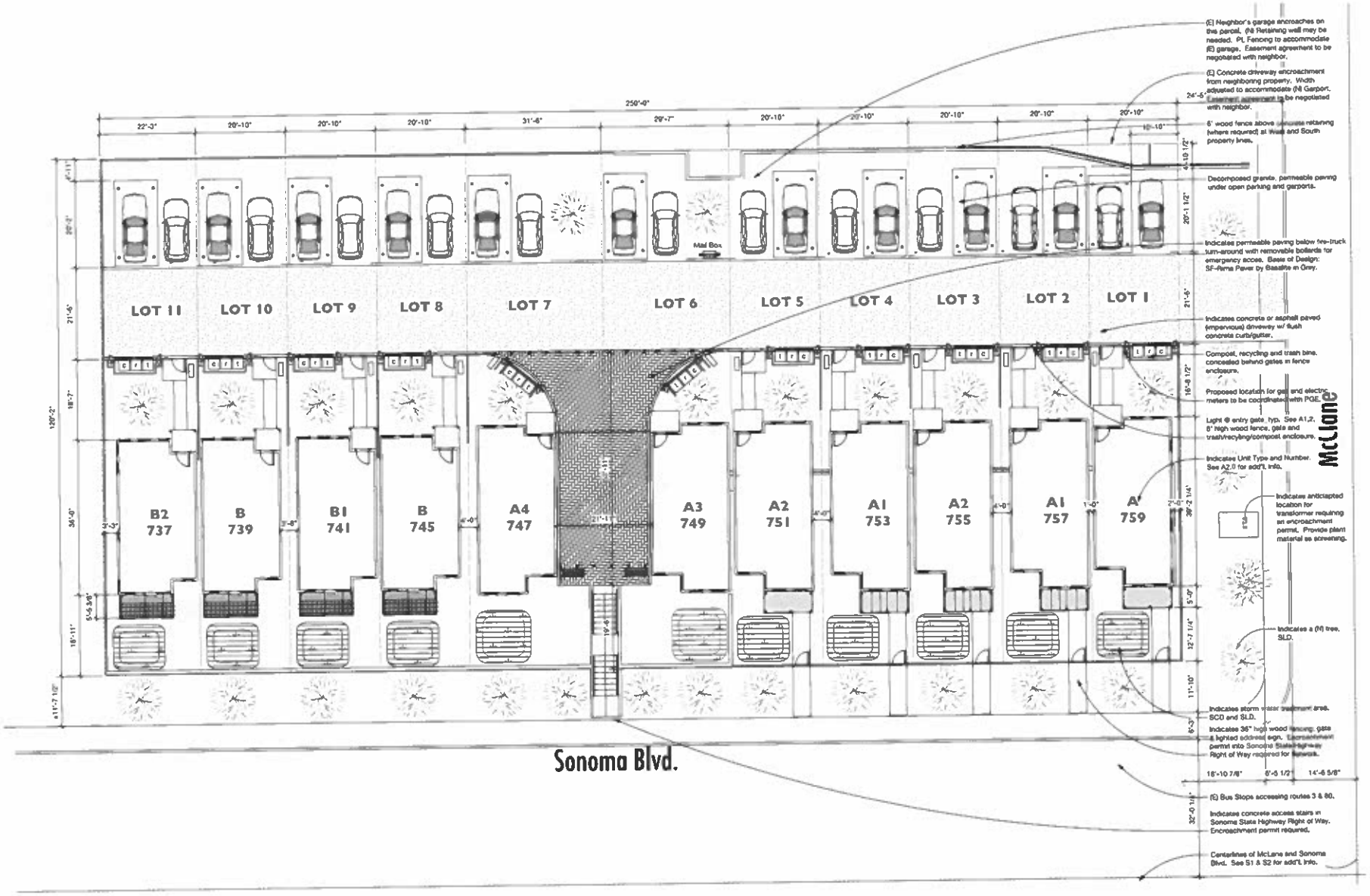
Sonia Rahm
Director
Citi Community Capital
300 South Grand Ave, Suite 3110
Los Angeles CA 90071
213-239-1726
Sonia.m.rahm@citi.com




| | Lot 1 | Lot 2 | Lot 3 | Lot 4 | Lot 5 | Lot 6 | Lot 7 | Lot 8 | Lot 9 | Lot 10 | Lot 11 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Area (SF) | 2500 | 2500 | 2500 | 2500 | 2500 | 3550 | 3780 | 2500 | 2500 | 2500 | 2670 |
| | 1 SFD/SS | 1 SFD/SS | 1 SFD/SS | 1 SFD/SS | 1 SFD/SS | 1 SFD | 1 SFD | 1 SFD | 1 SFD | 1 SFD | 1 SFD |
| Stormwater (SF) | 66 | 66 | 66 | 66 | 66 | 85 | 85 | 66 | 66 | 66 | 66 |

Site Plan : 1" = 10'-0"

1 A1.0

fullcircle architecture llp
www.fullcirclearchitecture.com
PO Box 21165
Oakland, CA 94620
t 415 757 7790
e info@fullcirclearchitecture.com

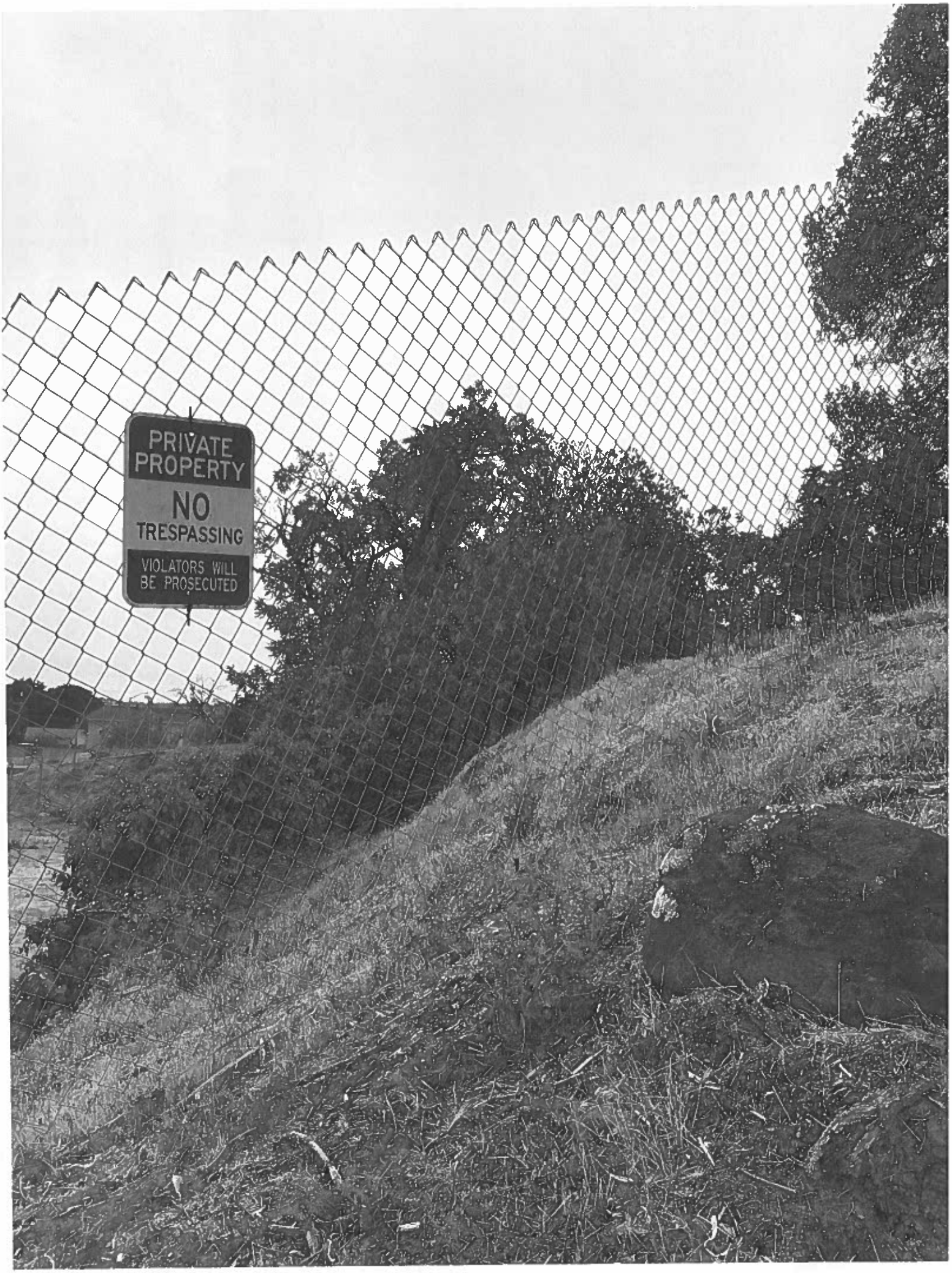
These drawings are an instrument of service and remain the sole property of the Architect. They are not to be used, copied, or reproduced without the express written permission of the Architect.

NOT FOR CONSTRUCTION

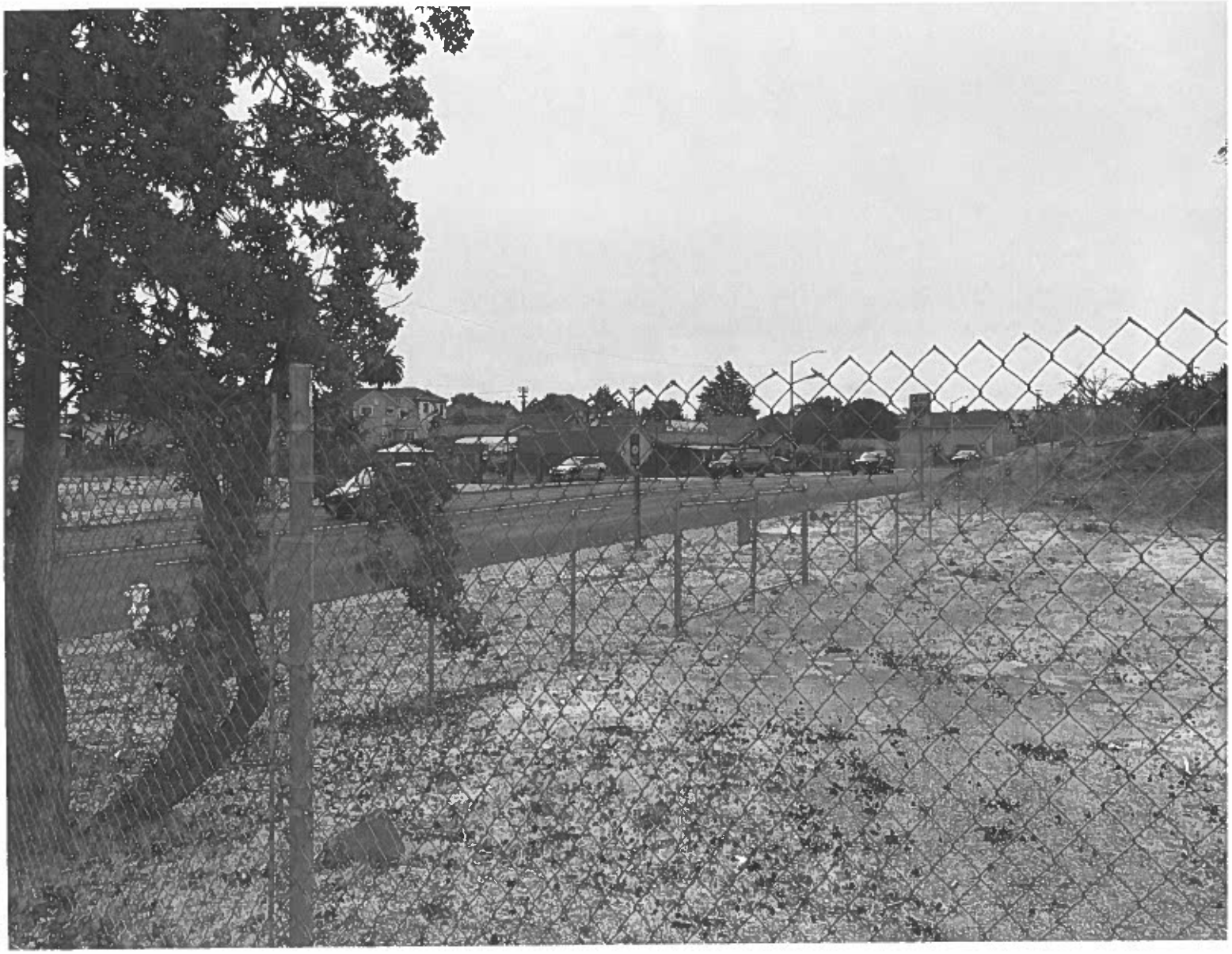
SONOMA ESTATES FAMILY HOUSING
759 SONOMA BLVD @ MCLANE
VALLEJO, CA. APN 0061-051-010 TO -050
COMMUNITY HOUSING DEVELOPMENT CORP. NORTH RICHMOND

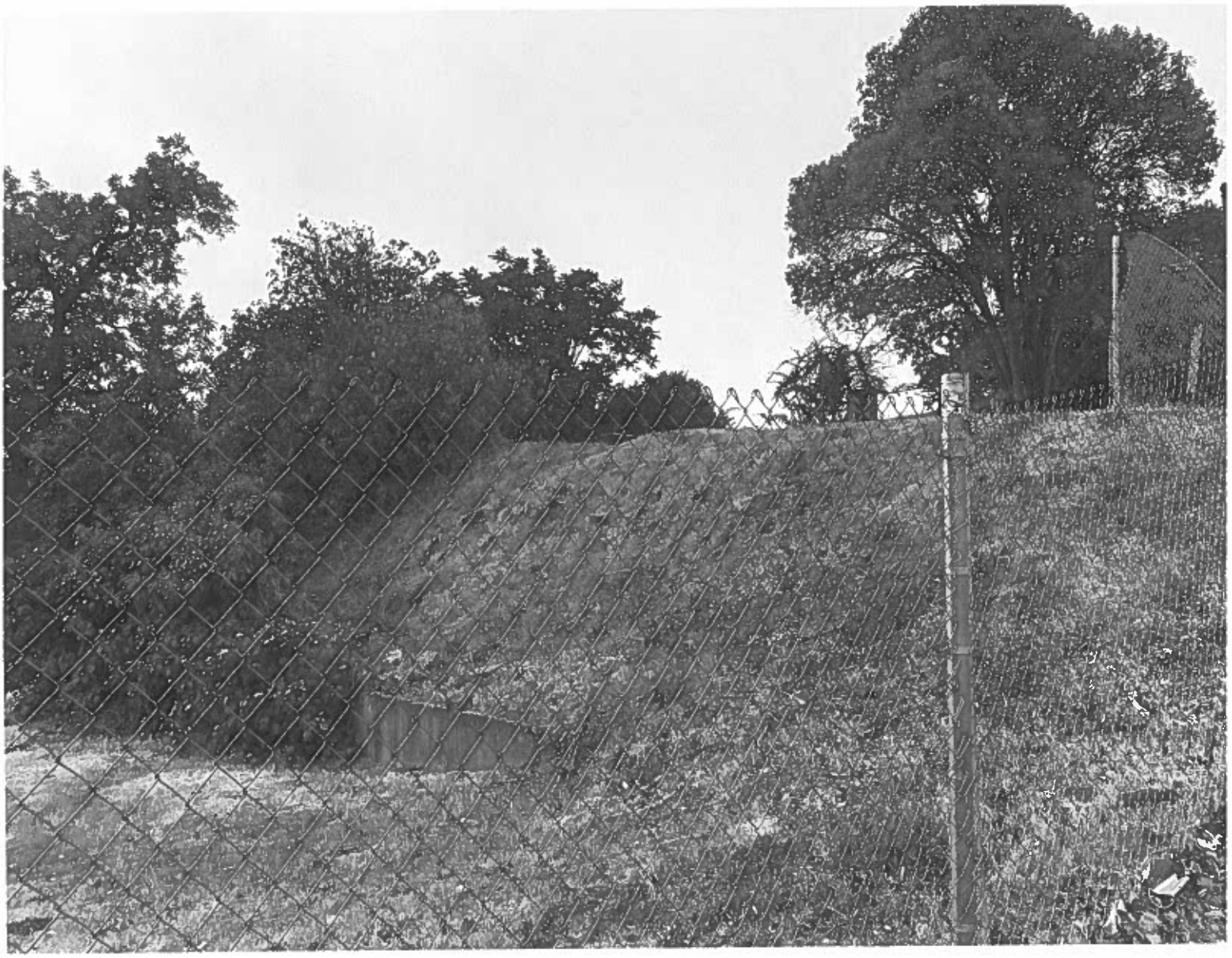
Site Plan

A1.0


PRIVATE
PROPERTY
NO
TRESPASSING
VIOLATORS WILL
BE PROSECUTED

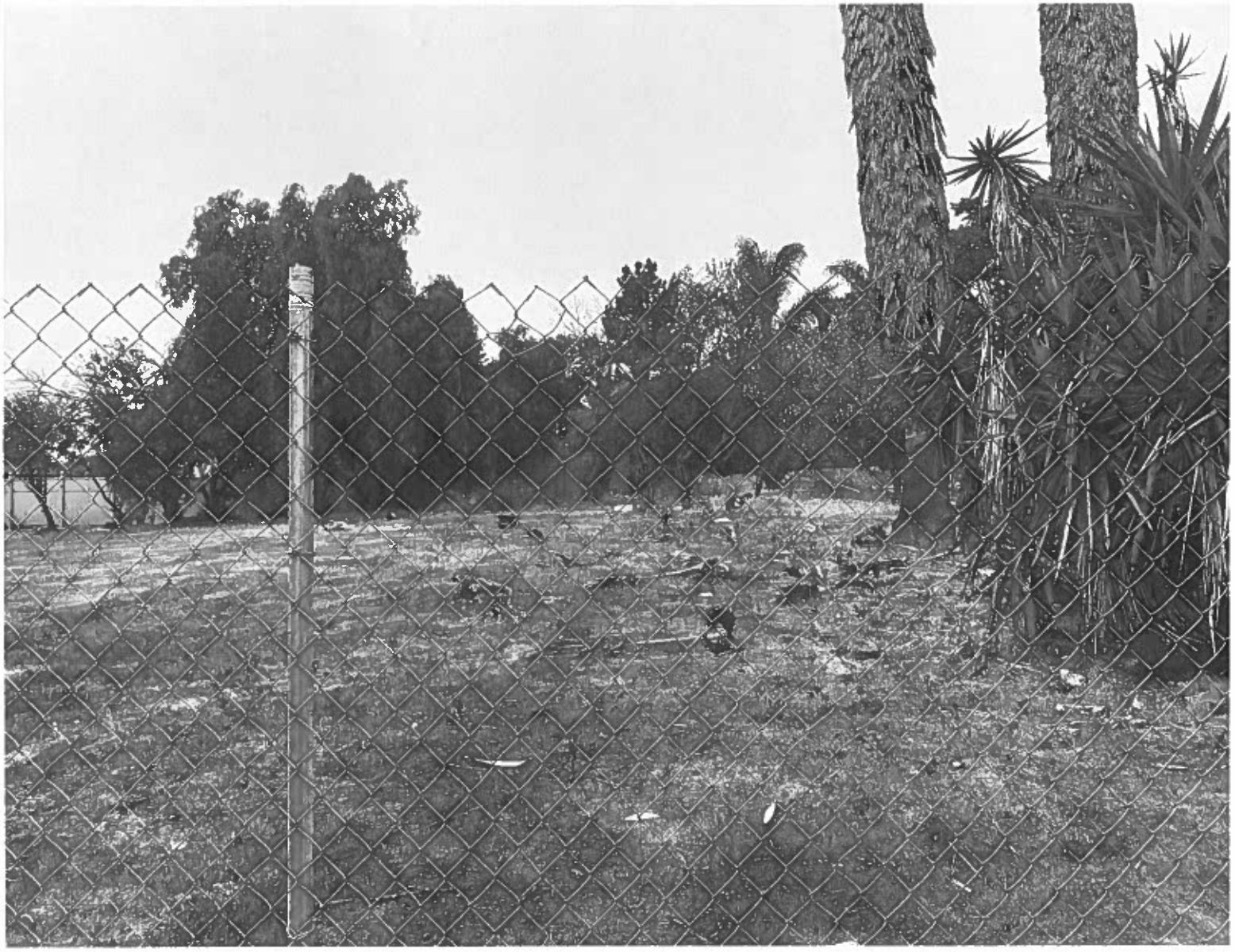
STOP





PRIVATE PROPERTY
NO TRESPASSING

PRIVATE
PROPERTY
NO
TRESPASSING
VIOLATORS WILL
BE PROSECUTED



# Sonoma Estates Map

Untitled layer

759 Sonoma Blvd

1

SolTrans Bus Stop: Sonoma Blvd & McLane St Vallejo, CA 94590 (200 ft away from project)

2

Lake Dalwigk Park 457 5th St, Vallejo, CA 94590 (500 ft away from project site)

3

Safeway Grocery Store 709 Lincoln Rd W, Vallejo, CA 94590 (1 mile away from project site)

4

Cardenas Markets Grocery Store 2107 Solano Ave, Vallejo, CA 94590 (1.2 miles away from project site)

5

Wilson Park 915 Solano Ave, Vallejo, CA 94590 (.5 miles away from project site)

6

Grocery Outlet 401 Marin St, Vallejo, CA 94590 (1 mile away from project site)

7

Kaiser Permanente Vallejo

**10**

The Solano County Superior Court & Solano County Children Services 321 Tuolumne St, Vallejo, CA 94590 (.9 miles away from project site)

**11**

United States Postal Service 100 Admiral Callaghan Ln, Vallejo, CA 94591 (1.8 mi away from project site)

**12**

Seafood City Supermarket 3495 Sonoma Blvd, Vallejo, CA 94590 (2.2 mi away from project site)

13

Walgreens 1050 Redwood St, Vallejo, CA 94590 (2.2 mi away from project site)

**14**

Island Pacific Seafood Market 2110 Springs Rd UNIT 24, Vallejo, CA 94591 (1.8 mi away from project site)

**15**

Chase Bank 901 Tennessee St, Vallejo, CA 94590 (1.3 mi away from project site)

**16**

Wells Fargo Bank 1702 Tennessee St, Vallejo, CA 94590 (1.4 mi away from project site)

moovit 3 bus time schedule & line map

# 3 Beverly Hills via Curtola

View In Website Mode

The 3 bus line (Beverly Hills via Curtola) has 2 routes. For regular weekdays, their operation hours are:
(1) Beverly Hills via Curtola: 7:45 AM - 7:45 PM (2) Vallejo Transit Center via Grace Patterson Elementary School: 7:23 AM - 7:53 PM
Use the Moovit App to find the closest 3 bus station near you and find out when is the next 3 bus arriving.

**Direction: Beverly Hills via Curtola**
5 stops
VIEW LINE SCHEDULE

Vallejo Transit Center
Vallejo Transit Center, Vallejo

Curtola Pkwy & Napa St

Curtola Park & Ride
237 Cypress Avenue, Vallejo

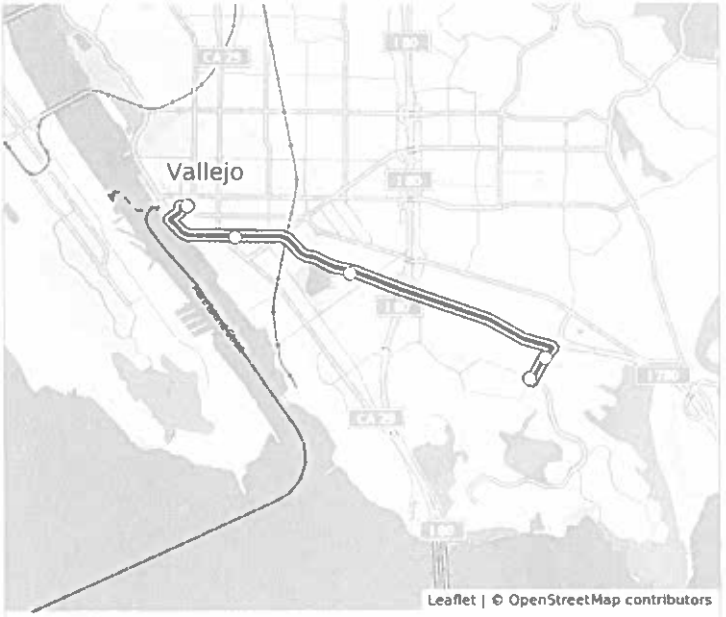
Glen Cove Pkwy & Robles Way
Glen Cove Road, Solano County

Fulton Ave & Old Glen Cove Rd
813 Glen Cove Road, Solano County

**3 bus Time Schedule**
Beverly Hills via Curtola Route Timetable:

| | |
|---|---|
| Sunday | Not Operational |
| Monday | 8:45 AM - 5:45 PM |
| Tuesday | 7:45 AM - 7:45 PM |
| Wednesday | 7:45 AM - 7:45 PM |
| Thursday | 7:45 AM - 7:45 PM |
| Friday | 7:45 AM - 7:45 PM |
| Saturday | 8:45 AM - 5:45 PM |

**3 bus Info**
**Direction:** Beverly Hills via Curtola
**Stops:** 5
**Trip Duration:** 8 min
**Line Summary:**




3 Beverly Hills via Curtola

moovit

**Direction: Vallejo Transit Center via Grace Patterson Elementary School**

13 stops

VIEW LINE SCHEDULE

**Fulton Ave & Old Glen Cove Rd**
813 Glen Cove Road, Solano County

**Fulton Ave & Ladera Dr**
202 Ladera Drive, Vallejo

**Fulton Ave & Magazine St**
1538 Magazine Street, Vallejo

**Magazine St & Gary Cir**
Gary Circle, Vallejo

**Magazine St & Lincoln Rd E**
105 Gary Circle, Vallejo

**Magazine St & Sheridan St**
901 Magazine Street, Vallejo

**Sandy Beach Rd & Sonoma Blvd**

**Porter St & Grace Patterson Elementary**

**Porter St & Magazine St (Norman King)**

**Sonoma Blvd & Winchester St**
558 Sonoma Boulevard, Vallejo

**Sonoma Blvd & McLane St**
McLane Street, Vallejo

**Sonoma Blvd & Solano Ave**

**Vallejo Transit Center**
Vallejo Transit Center, Vallejo

**3 bus Time Schedule**

Vallejo Transit Center via Grace Patterson Elementary School Route Timetable:

| | |
|---|---|
| Sunday | Not Operational |
| Monday | 8:53 AM - 5:53 PM |
| Tuesday | 7:23 AM - 7:53 PM |
| Wednesday | 7:23 AM - 7:53 PM |
| Thursday | 7:23 AM - 7:53 PM |
| Friday | 7:23 AM - 7:53 PM |
| Saturday | 8:53 AM - 5:53 PM |

**3 bus Info**

**Direction:** Vallejo Transit Center via Grace Patterson Elementary School
**Stops:** 13
**Trip Duration:** 17 min
**Line Summary:**

3 bus time schedules and route maps are available in an offline PDF at moovitapp.com. Use the Moovit App to see live bus times, train schedule or subway schedule, and step-by-step directions for all public transit in San Francisco - San Jose, CA.

About Moovit • MaaS Solutions • Supported Countries • Mooviter Community

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Web App App Store Google Play

City of VALLEJO California

www.cityofvallejo.net
Central Permit Center · 555 Santa Clara Street · Vallejo · CA · 94590

| Business License | Building | Planning | Public Works/Engineering |
|---|---|---|---|
| 707.648.4357 | 707.648.4374 | 707.648.4326 | 707.651.7151 |


# STREAMLINED HOUSING DEVELOPMENT
## APPLICATIONS UNDER SENATE BILL 35

**What is Senate Bill (SB) 35?**
Effective January 1, 2018, SB35 requires local governments to implement a streamlined, ministerial, review process for qualifying multi-family housing developments. The intent of the law is to address housing affordability by expediting local governmental approvals for certain new housing development projects that meet eligibility criteria.

**What is the streamlined review process?**
Qualifying projects will be reviewed through a ministerial process, in other words, the scope of the City's review is limited to evaluating whether the project complies with certain objective development standards, provides a minimum number affordable units, and other requirements under SB35. The project will not be reviewed through a discretionary process, whereby the City may decide to approve the project based on its own findings of compatibility with the existing character of the community. In addition, an eligible project is statutorily exempt from CEQA.

**Which projects qualify to apply for streamlining?**
The California Department of Housing and Community Development (HCD) has determined that the City of Vallejo is subject to SB35 streamlining for proposed development projects that include at least ten units, and at least 10% of the total units are affordable at the moderate income level (80% AMI).[1] Please use the checklist in this handout to determine whether your project is eligible for streamlining.

**Which development standards apply to qualifying projects?**
The qualifying project must be consistent with the City's objective development and design standards, which are provided in the General Plan, Municipal Code, and any applicable Specific Plan and/or Master Plan. Please refer to Attachment 1, Development Standards in Residential Zoning Districts. If the project proposes to apply for a Density Bonus,[2] modifications to otherwise applicable standards are not considered in evaluating the project's eligibility for streamlining under SB35.

Parking spaces are not required for projects located in areas: 1) within one-half mile of public transit, 2) within an architecturally and historically significant historic district, 3) where on-street parking permits are required but not offered to project occupants (Zone B, Vallejo High School)[3],

---

[1] California Department of Housing and Community Development, SB 35 Statewide Determination Summary, http://www.hcd.ca.gov/community-development/housing-element/docs/SB35_StatewideDeterminationSummary.pdf
[2] California Government Code Section 65915-65918, http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=65915&lawCode=GOV
[3] City of Vallejo Residential Limited Parking Program, http://www.ci.vallejo.ca.us/living/transportation/parkvallejo/residential_limited_parking_program

or 4) within one block of a car share vehicle. For all other qualifying projects, up to one (1) parking space per residential unit is allowed.

**What is the application process?**
To apply for a project that qualifies under SB35 streamlining, please schedule a pre-application meeting with the Planning Division to review the application checklist and submittal requirements. Following the pre-application meeting, submit a completely filled out checklist and required documentation to the Planning Division.

**What is the approval process?**
The Planning Division will determine if the project is eligible for streamlined approval within 60 days after submittal for projects consisting of 150 or fewer units, or within 90 days for projects with more than 150 units. If the project is deemed ineligible, the Planning Division will provide the applicant with a list of inconsistencies with "objective planning standards" and design review standards. The applicant may revise and re-submit an application, subject to the same timeline for review. Once the application is accepted for review under SB35, the Planning Division will either approve or deny the project within 90 days after submittal for projects consisting of 150 or fewer units, or within 180 days for projects with more than 150 units. The review will be focused strictly on assessing compliance with SB35 eligibility criteria and any reasonable objective design standards.

# STREAMLINED HOUSING DEVELOPMENT
## SB 35 ELIGIBILITY CHECKLIST

This checklist provides a complete list of eligibility requirements for streamlined review under SB 35. The project is eligible only if all of the responses to the statements below are "yes." In order for the application to be accepted, the applicant must submit documentation as needed to demonstrate how the determination has been made.

| | Eligibility Requirement | Yes | No |
|---|---|---|---|
| Housing Type | The project is a multifamily housing development, including at least two units. | x | |
| Affordability | At least 10% of the base number of units (excluding density bonus units) built on-site are dedicated affordable to those earning no more than 80% AMI. | x | |
| Site Requirements | The site is legal parcel(s), located in either the City of Vallejo or an unincorporated area within the City's Sphere of Influence. | x | |
| | At least 75% of the perimeter of the site adjoins parcels currently or formerly developed with "urban uses."[4] | x | |
| | The site is either zoned or is designated by the Vallejo General Plan 2040 land use map as allowing for residential use or residential mixed-use development by right or with a use permit.[5] | x | |
| | The project either does not include a subdivision of land, or does include a subdivision of land and is:<br>1) receiving a low-income housing tax credit and subject to prevailing wage requirement, or<br>2) subject to the prevailing wage requirement, and a skilled and trained workforce is used. | x | |
| | The project meets all objective zoning and design review standards in effect at the time the application is submitted.<br>• If the project is consistent with the minimum and maximum density range allowed within the General Plan land use designation, it is deemed consistent with housing density standards.<br>• Any density bonus or concessions, incentives, or waivers of development standards or reduction of parking standards requested under the Density Bonus law (CA Government Code Section 65915) are deemed consistent with objective standards.<br>• Objective standards are those that require no personal or subjective judgment and must be verifiable by reference to an external and uniform source available prior to submittal. Sources of objective standards include, without limitation:<br>o General Plan | | |

[4] Any current or former residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses.

[5] *If the property is designated for mixed-use development, the designation must require at least two-thirds of the square footage of the development to be residential.

| | Eligibility Requirement | Yes | No |
|---|---|---|---|
| | ○ Vallejo Municipal Code<br>○ Downtown Specific Plan<br>○ White Slough Specific Plan<br>○ Sonoma Boulevard Specific Plan<br>○ Mare Island Specific Plan<br>○ Hiddenbrooke Specific Plan<br>○ Waterfront Master Plan<br>○ Solano 360 Specific Plan<br>• Parking. The project may provide up to one parking space per unit; however, no parking is required if the project meets any on the following criteria:<br>○ The project is located within ½ mile of a transit stop<br>○ The project is located within a designated historic district<br>○ The project is located within one block of a car share<br>○ On-street parking permits are required but not offered to project occupants | X | |
| | The project site is located entirely outside each of the following areas or designations:<br>• Coastal zone<br>• Prime farmland of farmland of Statewide importance<br>• Wetlands, as designated by the U.S. Fish and Wildlife Service<br>• Lands under a conservation easement<br>• Conservation area as identified by an adopted habitat conservation plan<br>• Protected animal or plant species habitat, as identified by the State or federal government<br>• Governed by the Mobilehome Residency Law, the Recreational Vehicle Park Occupancy Law, or the Special Occupancy Parks Act<br>• Previously contained housing occupied by tenants within the past 10 years | x | |
| Site Requirements | The project would not require demolition of housing subject to any of the following restrictions:<br>• Recorded rent restrictions<br>• Rent control<br>• Occupied by tenants within the past 10 years<br>• A City, State or federally-designated historic structure | x | |
| | The project is either located outside of an earthquake fault zone, or located in an earthquake fault zone and is compliant with the California and City Building Code Standards for seismic protection. | x | |
| | The project is either located outside of a high or very high fire hazard severity zone, or is located in a high or very high fire hazard severity zone, and is:<br>1) Excluded from the hazard zone by the City, or<br>2) Subject to fire hazard mitigation measures pursuant to existing building standards or applicable State fire mitigation measures | x | |
| | The project is either not located on a hazardous waste site, or is located on a hazardous waste site and has been cleared for residential or residential mixed use by the Department of Toxic Substances Control. | x | |
| | The project is either not located in a 100-year flood zone as designated by FEMA, or is within a 100-year flood zone and has met either of the | x | |

| | Eligibility Requirement | Yes | No |
|---|---|---|---|
| | following requirements:<br>1) The site has been subject to a Letter of Map Revision prepared by FEMA and issued to the City.<br>2) The applicant can demonstrate compliance with the minimum flood plain management criteria of the National Flood Insurance Program.[6] | | X |
| Labor Provisions | The applicant has completely filled out the Certificate for Compliance with Eligibility Requirements, certifying that either:<br>1) the entire development is a "public work" for purposes of prevailing wage law, or<br>2) that the project includes 11 or more units and is a public work, thus construction workers will be paid at least the prevailing wage | X | |

[6] If the project requires a City-issued floodplain development permit, submit a description of how the development will satisfy the applicable federal qualifying criteria necessary to obtain the City-issued floodplain development permit. Construction plans demonstrating these details must be submitted prior to issuance of a building permit.

# STREAMLINED HOUSING DEVELOPMENT
## SB 35 STANDARD APPLICATION

**Submittal Requirements**
If the project qualifies under the SB 35 Eligibility Checklist, the following information and materials listed on the attached SB35 Application Checklist are required for a complete application. Please review this checklist with Planning Division staff to confirm specific requirements and to determine if other applications are required.

SB 35 Standard Applications are reviewed to determine if the application qualifies as a Streamlined Housing Development within 60 days after application submittal for projects of 150 or fewer units, or within 90 days for larger projects. Applications that are not eligible for Streamlined Housing Development processing or that do not provide a complete application, including this Standard Application and listed items on the SB 35 Application Checklist, will be denied and must be re-submitted, subject to review within 60 days after re-submittal for projects of 150 or fewer units, or within 90 days for larger projects. Eligible Streamlined Housing Development applications are ministerially reviewed within 90 days after application submittal for projects of 150 or fewer units, or within 180 days for projects of more than 150 units.

| |
|---|
| **Is the project seeking a density bonus or any concession, waiver, or reduction of parking standards under state Density Bonus Law?**<br>Yes ☒ No ☐ |
| **Type of Multifamily Housing Development Proposed:**<br>☐ Multifamily rental; residential only with no proposed subdivision.<br>☒ Multifamily residential with proposed subdivision (must qualify for exception to subdivision exclusion)<br>☐ Mixed-use (at least 2/3 of square footage must be designated for residential. If a subdivision is included, must qualify for exception to subdivision exclusion.) |
| **Number of Parking Spaces Proposed:** 16 (1:1)<br>Is the site within one half mile of a transit stop?<br>Yes ☒ No ☐<br>Is the site within an architecturally and historically significant historic district?<br>Yes ☐ No ☒<br>Are on-street parking permits required but not offered to the occupants of the project?<br>Yes ☐ No ☒<br>Is the site within one block of a car share vehicle station?<br>Yes ☐ No ☒ |

| |
|---|
| Does the project propose more than 10 units?<br>Yes ☒ No ☐<br>Has the applicant certified compliance with affordability requirements?<br>Yes ☒ No ☐ n/a ☐<br>Has the applicant certified compliance with prevailing wage requirements?<br>Yes ☒ No ☐ n/a ☐ |
| Does the project propose 75 units or more? Yes ☐ No ☒<br>Has the applicant certified compliance with skilled and trained workforce requirements?<br>Yes ☐ No ☐ n/a ☐ |
| Does the project involve a subdivision of land? Yes ☒ No ☐<br>Is the project financed with low-income housing tax credits? Yes ☐ No ☒<br>Has the applicant certified compliance with prevailing wage requirements?<br>Yes ☐ No ☐ n/a ☒<br>Has the applicant certified compliance with skilled and trained workforce requirements?<br>Yes ☐ No ☐ n/a ☒ |
| **Has the applicant certified that the project site has not contained any housing occupied by tenants within the past 10 years?** Yes ☒ No ☐ |

| |
|---|
| **Is the project site within a very high fire hazard severity zone?** Yes ☐ No ☒<br>Are there adopted fire hazard mitigation measures applicable to the development?<br>Yes ☐ No ☐ n/a ☒ |
| **Is the project site a hazardous waste site?** Yes ☐ No ☒<br>Has the applicant provided evidence that the Department of Toxic Substances Control has cleared the site for residential use or residential mixed-uses?<br>Yes ☐ No ☐ n/a ☒ |
| **Is the project site within a delineated earthquake fault zone?** Yes ☐ No ☒<br>Does the development comply with applicable seismic protection building code standards?<br>Yes ☐ No ☐ n/a ☒ |
| **Is the project site habitat for protected species, identified in an adopted natural community conservation plan, or under a conservation easement?** Yes ☐ No ☒ |
| **Does the project funding source include public funds?** Yes ☒ No ☐ |

**Project Description and Details**

Please attach a narrative project description that summarizes the proposed project and its purpose. Please include a discussion of the project site context, including what existing uses, if any, adjoin the project site and whether the location is eligible for Streamlined Housing

**Development processing. You must also include a discussion of how the proposed project is consistent with all objective zoning and design review standards applicable to the project site.**

| **Property Owner Signature(s):** | **Date:** |
| --- | --- |
| | 8/11/21 |

# STREAMLINED HOUSING DEVELOPMENT
## CERTIFICATE FOR COMPLIANCE WITH ELIGIBILITY REQUIREMENTS

I, Donald Gilmore, do hereby certify and declare as follows:

(a) The subject property is located at (address and assessor's parcel number):

759 et. al Sonoma Blvd, Vallejo, CA
Address

See attached legal description
Assessor's Parcel Number

(b) I am a duly authorized officer or owner of the subject property.

(c) The property owner agrees to comply with the applicable affordable housing dedication requirements established under Government Code section 65913.4(a)(4).

(d) The property owner agrees to comply with the applicable prevailing wage requirements established under Government Code section 65913.4(a)(8)(A).

(e) The property owner agrees to comply with the applicable skilled and trained workforce requirements established under Government Code section 65913.4(a)(8)(B).

(f) The property owner certifies that the project site has not contained any housing occupied by tenants within 10 years prior to the date written above.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this day in:

Oakland, CA
Location

8/11/21
Date

Signature

Donald Gilmore, Executive Director
Name (Print), Title

# STREAMLINED HOUSING DEVELOPMENT
## SB 35 APPLICATION CHECKLIST

**Submittal Requirements**
The following information is required for a complete application. Please review this checklist with City of Vallejo Planning Division and Engineering Department.

- ☒ APPLICATION FORM. Include signature and contact information for the legal property owner, applicant or authorized agent and contact information for the Civil Engineer, Architect, Landscape Architect, and all other consultants involved with the application.
- ☐ **APPLICATION FEE.** Multifamily Site Development fee $14,840 (refer to the City's Master Fee Schedule)
- ☐ **CERTIFICATE FOR COMPLIANCE WITH ELIGIBILITY REQUIREMENTS**. The property owner or the owner's authorized agent must certify under penalty of perjury that certain threshold eligibility criteria are satisfied.
- ☐ **TITLE REPORT**. Prepared within the past three months. (three copies)
- ☐ **STATEMENT OF DESIGN INTENT**. Describe the design program, the designer's approach, and how the architectural, landscape and other elements have been integrated in compliance with the City's objective standards. The relationship of the project to adjacent properties and to the adjacent streets should be expressed in design terms. Define the site, building design, and landscape concepts in terms of site design goals and objectives, pedestrian circulation, outdoor-use areas, visual screening and enhancements, conservation of natural resources, mitigation of negative site characteristics, and off-site influences.
- ☐ **STATEMENT OF CONSISTENCY WITH OBJECTIVE STANDARDS**. Describe how the proposed project is consistent with all objective zoning and design review standards applicable to the project site, including those standards included in the General Plan, Vallejo Municipal Code, Downtown Specific Plan, White Slough Specific Plan, Sonoma Boulevard Specific Plan, Mare Island Specific Plan, Hiddenbrooke Specific Plan, Waterfront Master Plan, Solano 360 Specific Plan, and other applicable City documents. At a minimum, define how the project complies with use requirements, floor area standards, density, setbacks, height standards, lot coverage ratios, landscaping standards, water efficient landscaping requirements, stormwater requirements, and common open space, private useable open space, and public open space requirements.
- ☒ **DEVELOPMENT PLAN SET**:
  - ☐ 3 full size sets, 24" x 36" or larger
  - ☐ One electronic submittal
  - ☐ NOTE: All drawings shall include date of plan preparation and subsequent revisions and north arrow. The submittal set for first round of review should be 30% technical drawing set level. It is typical to have multiple reviews for a project. As the project progresses for a public hearing (if applicable) and is revised, prior to the public hearing, the sets will develop further.

☐ NOTE: All plans should be collated and folded into a size no larger than 9" x 13" or similar.

II.

A. **TITLE REPORT**

☐ Current title report completed within the last 3 months

B. **MATERIAL AND COLOR SAMPLE BOARD**

☐ Actual materials and color sample chips of major exterior materials, on 8-1/2" x 11" board or larger with labels for the materials, and project name on board. Include masonry, exterior wall finish, metal, window samples, roof tile and grout.

III.

A. **COVER SHEET**

☒ Street address and assessor's parcel number

☒ Name, address and phone number of property owner

☒ Name, address and phone number of contractor/builder, Engineering Team and Architect (designer)

☒ Vicinity map with north arrow, major cross streets and surrounding areas

☒ Project description

☒ Legend of symbols and abbreviations

☒ Table listing all plan sheets with sheet numbers and descriptions

☒ Table containing:

- ☒ General Plan designation and Zoning district
- ☒ Size of property including gross and net lot area
- ☒ Adjacent land uses
- ☒ Development standards pursuant to Vallejo Municipal Code.
- N/A Square footage of all existing buildings
- ☒ Square footage of all proposed buildings
- ☒ Parking analysis for building use and zoning district with code requirements and proposed spaces
- ☐ Percent of lot area for landscaping, impervious surfaces, common open space, and private usable space
- ☐ Lot coverage calculations, percent of net lot area covered by buildings
- ☒ Flood Zone

B. **BOUNDARY SURVEY**

☒ Completed by a licensed California surveyor or Civil Engineer licensed to perform survey.

☒ Engineer's Scale

- [x] Date of survey preparation and subsequent revisions
- [x] Street address and assessor's parcel number
- [x] Existing easements (if any)

## C. PROPOSED ARCHITECTURAL SITE PLAN

- [x] Scale of drawing (Engineer's Scale)
- [x] Street address and assessor's parcel number.
- [x] Property lines with typical dimensions, widths, radii, arc lengths.
- [x] Lot size including gross and net area (square feet and acres) and lot numbers.
- [x] Location of all existing buildings, proposed building(s), building additions, signs, open space, fences, walls, all at grade building features including decks and porches, accessory structures including sheds, Accessory Dwelling Units, trash enclosures and garages and other improvements as applicable. Label all structures and indicate if they are to remain or demolished.
- [x] Location and nature of all easements, including but not limited to water, sewer, electric, telecommunications, access.
- [x] Location of points of entry and exit for vehicles and internal circulation patterns.
- [x] Location and nature of existing and proposed utility lines and equipment.
- [x] Location of exterior lighting standards and devices.
- [x] Dimensions between all buildings and between all new buildings and property lines
- [x] Dimensions and locations of all required setbacks from property lines
- [x] Square footage of buildings
- [x] Location of existing and proposed parking
- [x] Location, dimension and nature of significant site features such as swales, water, hills etc.
- [ ] Location and dimensions of all existing and proposed structures 50 feet beyond the property lines. If adjacent to a public right-of-way, show the entire width of public right-of-way to the next to property line, including streets, sidewalks, driveways and alleys
- [x] Location and dimensions for all adjacent streets (public and private) and proposed streets showing both sides of streets, street names, street width, striping, centerlines, centerline radii of all curves, median and landscape strips, bike lanes, pedestrian ways, trails, bridges, curbs, gutters, sidewalks, driveways, and right-of-way including any proposed or required right of way dedication. Show line of sight for all intersections and driveways, and corner setback lines

## D. TOPOGRAPHIC SURVEY

- [x] Scale of drawing (Engineer's Scale)
- [x] Existing topography and proposed grading extending 50 feet beyond the property. Indicate slopes up to 5% or under 5 feet at 2 foot contour intervals and

indicate slopes over 5% or greater than 5 feet in height at 5 foot contour intervals. Include spot elevations, pad elevations, percent slope and show all retaining walls with Top of Wall/ Bottom of Wall elevations

- [x] Any significant vegetation including trees, vegetation providing habitat for native animals, and/or cultural value (indicate size and type)

**E. FLOOR PLANS**

- [x] Scale of drawing (Architect's Scale) 1/8" = 1' or larger
- [x] Existing and proposed
- [x] Square footage of existing and proposed

**F. ROOF PLANS**

- [x] Scale of drawing Architect's Scale, 1/8" = 1' or larger
- [x] Show existing and proposed
- [x] Square footage of existing and proposed
- [ ] Plan shall be fully dimensioned. The plan shall include property lines, outline of building footprint, ridgelines, valleys, flat roof areas, roof pitch and roof forms, location of downspouts
- [ ] Show direction of water flow
- [ ] Show location of rooftop equipment and distance from parapet
- [ ] Show proposed rooftop screening, elevations and details. Show location and height of rooftop mechanical equipment and proposed screening. Provide a section showing height of equipment in relation to the height of proposed screen. Provide a detail of the screen showing it is architecturally integrated with the principal building.

**G. BUILDING ELEVATIONS (all four sides)**

- [x] Scale of drawing (Architect's Scale) 1/8" = 1' or larger
- [x] Fully dimensioned elevations for buildings identifying materials, details and features. Typical floor-to-floor heights with dimensions
- [x] Existing and proposed elevations of all four sides of the building(s)
- [x] Typical building sections showing wall, eaves, and roof height and roof slope
- [x] One set of building elevations colored to the proposed scheme for the project
- [x] Location, dimension and style of doors, windows, chimneys, stairs, bays, and all major architectural features
- [x] Vertical dimensions from all points above existing and finished graded on all elevations. Final grade level of ground adjacent to the building in relation to the floor level
- [x] Overall structure height from the lowest point on the site covered by any portion of the building to the topmost point of its roof
- [x] Section of roof-mounted equipment, roof top screening that is architecturally similar or integrated

- [x] Topography with existing and proposed grades accurately represented to show building height to indicate relationship of building to the site and adjacent properties
- [ ] Location and type of building mounted exterior lighting
- [ ] Notations of exterior materials and finishes on elevations with notations of finishes and colors. Exterior material schedule with type, manufacturer, color, and finish
- [ ] Provide enlarged details (minimum of ¼"=1'scale) for focal points and feature areas, i.e. typical bay, entry feature, special architectural feature

## H. LANDSCAPE PLAN SUBMITTAL

- [ ] Scale of drawing at 1" = 20' and north arrow. (Engineer's Scale)
- [ ] Proposed trees, shrubs, shrub groupings, lawn, groundcover areas, existing trees and plants materials to be saved, stormwater treatment areas, special paving, hardscape, and cut sheet and specifications of site furnishings
- [ ] Size, species, and spacing of street trees
- [ ] Landscape legend with a list of plant materials (in Latin and common name), plant sizes and spacing
- [ ] Size, species, trunk location, and canopy of all existing trees (6 inch diameter or larger) on site and adjacent properties that could be affected by the project. Identify trees to remain and removed. Any tree proposed as mitigation for removal of a tree shall be identified as a replacement tree
- [ ] Landscape Plan shall be coordinated and consistent with the Stormwater Plan
- [ ] Estimated representation of plant materials within three years
- [ ] Color representation of proposed landscaping
- [ ] Location and screening of all above-grade utilities and bio-swales or other stormwater treatment areas with 1:10 scale cross sections showing the planting within the bio-swales and screening of utilities
- [ ] Enlarged details (minimum of 1:10 scale) for focal points and accent areas, i.e. courtyards, entry features, landscape walls, or special areas
- [ ] Location and details, specifications and/or cut sheets of ground signs, walls, fences, paving decorative planters, trellises, arbors, and other landscape features
- [ ] Statement stating that Water Efficient Landscape Ordinance (WELO) standards will be adhered to when applicable. WELO applicability can be found in Chapter 16.71.020 of the Vallejo Municipal Code
- [x] Point of connection to water supply under WELO standards
- [ ] Show line of sight triangle

## I. ADDITIONAL PLANS AND DOCUMENTS

- [x] Fence Plan, drawn at 1" = 20' scale showing the location, elevation, material notes, and height and type of fence or wall
- [n/a] Trash Enclosure, drawn at 1" = 1/4' scale showing the location, plan, elevation, material notes, and height with typical dimensions

- [x] Lighting Plan, showing location and type of exterior lighting both fixed to building and freestanding, and any lights for circulation, security, landscaping, building accent or other purpose. Lighting shall be dark sky compliant, with shields so that adjacent properties are not impacted
- [x] Color perspective drawing.
- [ ] Contextual elevations.
- [ ] Circulation diagram including bike and pedestrian circulation.
- [ ] Refer to the Planning Division Document Library on our website for specific plans, handouts, feasibility studies, trails, and additional information: www.cityofvallejo.net

**IV.**

**A. PROPOSED CIVIL SITE PLAN**

- [ ] Scale of drawing (Engineer's Scale)
- [ ] Street address and assessor's parcel number
- [ ] Property lines with typical dimensions, widths, radii, arc lengths
- [ ] Lot size including gross and net area (square feet and acres) and lot numbers
- [ ] Location of all existing buildings, proposed building(s), building additions, signs, open space, fences, walls, all at grade building features including decks and porches, accessory structures including sheds, ADU's, trash enclosures and garages and other improvements as applicable. Label all structures and indicate if they are to remain or be demolished.
- [ ] Location and nature of all easements, including but not limited to water, sewer, electric, telecommunications, access
- [ ] Location and nature of existing and proposed utility lines and equipment
- [ ] Location of the nearest fire hydrant or water source for fire suppression
- [ ] Dimensions between all buildings and between all new buildings and property lines
- [ ] Dimensions and locations of all required setbacks from property lines
- [ ] Square footage of buildings
- [ ] Location of existing and proposed parking
- [ ] Location of existing and proposed water meter/service connections (water, sewer, electric, and telecommunications)
- [ ] Location, dimension and nature of significant site features such as swales, water, hills etc.
- [ ] Location and dimensions of all existing and proposed structures 50 feet beyond the property lines. If adjacent to a street, show the entire width of street to the next property line, including driveways.
- [ ] Location and dimensions for all adjacent streets (public and private) and proposed streets showing both sides of streets, street names, street width, striping, centerlines, centerline radii of all curves, median and landscape strips, bike lanes, pedestrian ways, trails, bridges, curbs, gutters, sidewalks, driveways, and right-of-way including any proposed or required right-of-way dedication.

Show all existing and proposed improvements including traffic signal poles and traffic signs. Show line of sight for all intersections and driveways, and corner setback lines.

- ☐ Flood zone information.
- ☐ Locate any CalTrans right of way. The applicant should coordinate any approvals and reviews early on with CalTrans.
- ☐ Indicate the location of all existing and proposed fire hydrants.
- ☐ Provide current fire flow information.
- ☐ If any parcel is within a FEMA-defined 100 -year floodplain or floodway:
  - ☐ Identify the floodplain or floodway on all plan sheets depicting the existing and proposed site, with the base flood elevation (BFE) and flood zone type clearly labeled. In addition, show the existing site topography and finished floor elevations for all existing and proposed structures. If FEMA has not defined a BFE, a site specific hydraulic analysis will be required to determine the BFE prior to deeming the application complete. (VMC Chapter 7.98)
  - ☐ Flood zone boundaries and flood water surface elevation. If the property proposed to be developed is within or adjacent to the 100-year flood zone as shown on the National Flood Insurance Program Flood Insurance Rate Map, the extent of flood zone shall be clearly drawn on the tentative map and the 100-year flood water surface elevation shall be shown. The map shall show the approximate location of the Floodway Boundary as shown on the latest edition of the "Flood Boundary and Floodway Map" published by the Federal Emergency Management Agency.

**B. PRELIMINARY DRAINAGE PLAN**

- ☒ Preliminary drainage information showing spot elevations, pad elevations, existing and proposed catch basins, valley gutters, bio-retention areas, swales, and direction of proposed drainage, including approximate street grade and existing and proposed storm drain locations.

**C. PRELIMINARY GRADING PLAN**

- ☒ Prepared by a licensed Civil Engineer and drawn at 1"= 20' scale
- ☐ Preliminary grading information showing topography, spot elevations, pad elevations, including approximate street grade and existing and proposed storm drain locations
- ☐ Identify an erosion control plan and program
- ☐ Geotechnical or Soils Report prepared by a Geotechnical Engineer may be required
- ☐ Letter of permission from adjacent property owner for offsite grading

**D. PRELIMINARY UTILITY PLAN**

- ☒ Prepared by a licensed Civil Engineer and drawn at 1"= 20' scale. Show the location and dimensions of existing and proposed utilities including water supply system, sanitary sewers and laterals, drainage facilities / storm drainage

systems, wells, septic tanks, underground and overhead electrical lines, utility poles, aboveground utility vaults and meters, transformers, underground irrigation and drainage lines, backflow prevention and reduced pressure devices, lighting fixtures, street lights, wireless communication facilities, traffic signal poles, and signal cabinets.

☐ Table of existing and proposed fixtures

## E. PRELIMINARY PHOTOMETRIC PLAN

☐ Scale of drawing at 1" = 20' and north arrow. (Engineer's Scale)

☐ Plan shall be prepared by a lighting specialist.

☐ Show right of way, easements, face of curb, sidewalk, pedestrian ramps, lot lines, house footprints, driveways, lot numbers, street names, proposed trees, fire hydrants.

☐ Provide foot candle requirements per City of Vallejo standard

## F. STORMWATER CONTROL PLAN

Check the table below to determine if the project triggers C.3 (stormwater treatment) requirements. If so, please refer to the C.3 Stormwater Compliance Information. Site Plan or Cover Page must include a table that verifies if C.3 requirements are applicable.

☐ A summary table which includes:

- ☐ Site size in square feet.
- ☐ Existing impervious surface area (all land covered by buildings, sheds, patios, parking lots, streets, paved walkways, driveways, etc.) in square feet.
- ☐ Impervious surface area created, added or replaced in square feet.
- ☐ Total impervious surface area in square feet (Existing impervious area to remain and proposed new impervious area)
- ☐ Percent increase / replacement of impervious area surface area (new impervious surface area in square feet / existing impervious surface area in square feet multiplied by 100).
- ☐ Estimated area in square feet of land disturbance during construction (including clearing, grading or excavating).

☐ Delineate and label the tributary areas and proposed BMPs.

☐ Provide a table listing the tributary areas and associated BMPs. (Ensure that all tributary areas drain to associated BMPs.)

☐ Ensure compliance with the proper sizing factors.

**Calculate the total new and replaced impervious surfaces for the project and refer to the table to determine if project triggers C.3 stormwater treatment requirements.**

| | Impervious Area Threshold | Effective Date | Requirement |
|---|---|---|---|
| Non-Regulated Projects | All Projects Requiring Municipal approvals or permits (includes single-family residences) | 5/1/2010 | As encouraged or directed by local staff, preserve or restore open space, riparian areas, and wetlands as project amenities, minimize land disturbance and impervious surface (especially parking lots) cluster structures and pavements, include micro-detention in landscaped and other areas, and direct runoff to vegetated areas. Use Bay-friendly landscaping features and techniques. Include Source Controls Specified in Appendix D. |
| | Projects between 2,500 and 10,000 square feet requiring approvals or permits (Includes single-family residences) | 12/1/2012 | Using the template in Appendix C, prepare and submit a Stormwater Control Plan for a Small Land Development Project. Implement one of four options: (1) Disperse runoff from some amount of roof or paved area to a vegetated are; (2) incorporate some amount of permeable pavement into your project; (3) include a cistern or rain barrel if allowed by your municipality; or (4) incorporate a bioretention facility or planter box. |
| Regulated Projects | Auto service facilities, gas stations, restaurants, and uncovered parking lots over 5,000 square feet | 12/1/2011 | Prepare and submit a stormwater Control Plan as described in Chapter 2, including features and facilities to ensure runoff is treated before leaving the site. Use the LID Design Guide in Chapter 3, including sizing factors and criteria or "treatment Only." |

**C.3 Compliance Table (Must be shown on Site Plan or Cover Page)**

| | |
|---|---|
| **Total Project Site Area (square feet)** | |
| **Total New or Replaced Impervious Surface Area (square feet)** [Sum of currently pervious areas that will be covered with new impervious surfaces] | |
| **Total Replaced Impervious Surface Area** [Sum of currently impervious areas that will be covered with new or replaced impervious surfaces.] | |
| **Total Impervious Surface Area** | |
| **C.3 Compliance Required (Yes/No)** | |

# EXHIBIT A

The land referred to is situated in the County of Solano, City of Vallejo, State of California, and is described as follows:

PARCEL ONE:

Lots 11 and 12, Block 696, as shown on the Map of the City of Vallejo, made by E. H. Rowe, C.E., and filed for record in the Office of the Recorder of Solano County, California, September 19, 1868.

APN: 0061-051-010

PARCEL TWO:

Lot 13, in Block 696, as the same is shown on the Official Map of the City of Vallejo, made by E. H. Rowe, C.E., and filed for record in the Office of the Recorder of Solano County, California, on September 19, 1868, in Book 1 of Maps, at Page 123.

APN: 0061-051-020

PARCEL THREE:

The Southeasterly one half of Lot 14 in Block 696, City of Vallejo, County of Solano, State of California, as the same is shown on the Official Map of the City of Vallejo, made by E. H. Rowe, C.E., filed in the Office of the County Recorder of Solano County, California, on September 19, 1868, in Book 1 of Maps, Page 123, and more particularly described as follows:

Commencing at a point at the most Easterly corner of Lot 14, and running thence Southwesterly along the Southeasterly line of Lot 14, 120 feet to the Southwesterly line of said Lot; thence Northwesterly along the Southwesterly line of said Lot, 25 feet; thence Northeasterly parallel with the Southeasterly line of Lot 14, 120 feet to the Northeasterly line of Lot 14; and thence Southeasterly along said last mentioned line 25 feet to the point of commencement.

APN: 0061-051-040

PARCEL FOUR:

The Northwest half of Lot 14, in Block 696 as the same is shown on the official Map of the City of Vallejo, made by E. H. Rowe, C.E., and filed in the Recorder's Office of Solano County, September 19, 186, in Book 1 of Maps, at Page 123.

APN: 061-051-030

PARCEL FIVE:

The Northwesterly 40 feet, (front and rear measurements) of Lot No. 15, in Block No. 696, as the same is shown on the Official Map of the City of Vallejo, made by E. H. Rowe, C.E., and filed for record in the Office of the County Recorder of Solano County, California, in Book 1 of Maps, Page 123.

APN: 0061-051-050

City of VALLEJO California

www.cityofvallejo.net

Central Permit Center · 555 Santa Clara Street · Vallejo · CA · 94590

| Business License | Building | Planning | Public Works/Engineering |
|---|---|---|---|
| 707.648.4357 | 707.648.4374 | 707.648.4326 | 707.651.7151 |

# PLANNING APPLICATION

Date Accepted: _____
Intake Planner: _____

- ■ Accessory Dwelling Unit
- ☐ Administrative Permit
- ☐ Certificate of Appropriateness
- ☐ Certificate of Compliance
- ☐ Certificate of Conformity
- ☐ Development Agreement
- ☐ General Plan Amendment
- ☐ Landscape Review
- ■ Lot Line Adjustment
- ☐ Major Use Permit
- ☐ Minor Exception
- ☐ Minor Use Permit
- ■ Parcel Map
- ■ Planned Development
- ☐ Preliminary Review
- ☐ Sign Permit
- ■ Site Development
- ☐ Specific Plan
- ☐ Tentative Map
- ☐ Variance
- ☐ Zoning Amendment
- ☐ Zoning Verification Letter
- ■ Other SB 35 Application

## PROJECT SUMMARY

(Please complete detailed supplemental page)

| Project Address/Location | Assessor's Parcel Number (APN) |
|---|---|
| 759 Sonoma Blvd (Corner of McClane/Sonoma Blvd) | 0061-051-010,020,030,040,050 |

| General Plan Designation | Zoning District | Historic District |
|---|---|---|
| Neighborhood Corridor | LO, Limited Office | NA |

**Project Description:**

Project consists of 16 units, each8 units will have corresponding attached ADU's. All units are designated as low income, affordable units selling at 120% or below of the AMI. Of the total number of units 5 are State Funded and restricted to 80% or below of the Solano area median income. The project is located along Sonoma Blvd and had enjoyed prior Planning Commission approval. The project redesign was to allow for each individual home lot to be developed.

| APPLICANT INFORMATION | | | OWNER INFORMATION | | |
|---|---|---|---|---|---|
| Applicant Name<br>Community Housing Development Corp | | | Owner Name<br>Community Housing Development Corp | | |
| Applicant Address<br>1535 Fred Jackson Way | | | Owner Address<br>1535 Fred Jackson Way | | |
| City<br>Richmond | State<br>CA | Zip<br>94801 | City<br>Richmond | State<br>CA | Zip<br>94801 |
| Phone<br>510-412-9290 | Cell | | Phone<br>510-412-9290 | Cell | |
| Email<br>sandidgeo@aol.com | | | Email<br>sandidgeo@aol.com | | |

*I hereby certify the truth of this application and acknowledge that any inaccuracies in it shall, at the City's option, result in automatic invalidation of the action based thereon and that final approval is dependent on compliance with the City's requirements.*

**Signature of Owner:** _____ **Date:** 8/11/21

**Signature of Applicant:** _____ **Date:** 8/11/21

| FOR PLANNING DIVISION USE ONLY | | |
|---|---|---|
| APPLICATION NAME/NUMBER: | PROJECT TYPE | ESTIMATED FEES |
| | | |
| PLANNER: | | |
| | | |
| ASSOCIATED FILES: | | |

**(Please see Reverse)**

## Indemnification Agreement

759 Sonoma Blvd, Vallejo Ca 94590

Project Address

As part of the application, the applicant and/or property owner agree to defend, indemnify, and hold harmless the City of Vallejo, its agents, officers, council members, employees, boards, commissions, and Council from any and all claims, actions or proceedings brought against any of the foregoing individuals or entities, seeking to attack, set aside, void or annul any approval of the application or related decision, or the processing or adoption of any environmental documents or negative declarations which relate to the approval. This indemnification shall include, but is not limited to, all damages, costs, expenses, attorney fees or expert witness fees that may be awarded to the prevailing party arising out of or in connection with the approval of the application or related decision, whether or not there is concurrent, passive or active negligence on the part of the City, its agents, officers, council members, employees, boards, commissions, and Council. If for any reason any portion of this indemnification agreement is held to be void or unenforceable by a court of competent jurisdiction, the remainder of the agreement shall remain in full force and effect.

The City of Vallejo shall have the right to appear and defend its interest in any litigation arising from the approval of the application or any related decision through its City Attorney or outside counsel selected by the City Attorney. The applicant shall be required to reimburse the City for attorney's fees incurred by the City in connection with the litigation.

I have read and agree with all of the above.

Donald Gilmore

Applicant (please print name)

Applicant signature

8/11/21

Date

SAME

Property owner name (if different from the applicant)

Property owner signature (if different from the applicant)

Date

# PLANNING APPLICATION

| Application Type | Receipt Code | Application Fee |
|---|---|---|
| Index Codes: Planning: 001-1502-<br>Public Works: 001-2502- | | |
| ☐ Accessory Dwelling Unit | 310-36-19 (P8)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Administrative Permit | 310-36-24 (SN)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Certificate of Appropriateness | 330-63-10 (C6)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Certificate of Compliance (Pub. Works Eng. Review) | 310-30-09 (PM)<br>310-30-10 (EI)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>EI $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Certificate of Conformity | 310-30-27 (P7)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Deposit Account # _____ | 601-0000-207-09-90 (P9) | $ |
| ☐ Development Agreement<br>☐ Amendment<br>☐ Annual Review | 310-30-28 (DA)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>P2 $<br>P3 $<br>PT $ |
| ☐ General Plan Amendment | 310-36-25 (ZL)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Landscape Review | 310-30-08 (SD)<br>310-30-10 (EI)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>EI $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Lot Line Adjustment (Pub. Works Eng. Review) | 310-36-11 (TM)<br>310-30-10 (EI)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>EI $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Major Use Permit (Pub. Works Eng. Review) | 310-36-18 (AM)<br>310-30-10 (EI)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>EI $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Minor Exception (Pub. Works Eng. Review) | 310-36-20 (ME)<br>310-30-10 (EI)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>EI $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Minor Use Permit (Pub. Works Eng. Review) | 310-36-19 (P8)<br>310-30-10 (EI)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>EI $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Parcel Map – less than 5 lots (Pub. Works Eng. Review) | 310-36-11 (TM)<br>310-30-10 (EI)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>EI $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Planned Development<br>☐ Master Plan<br>☐ Unit Plan (Pub. Works Eng. Review) | 310-30-21 (P5)<br>310-30-10 (EI)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>EI $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Preliminary Review (fee based on project type) | 310-_____<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Public Notice<br>☐ 200 ' ☐ 500' | 310-30-09 (PM)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Sign Permit | 310-36-24 (SN)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Site Development (Pub. Works Eng. Review) | 310-30-08 (SD)<br>310-30-10 (EI)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>EI $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Small Lot Subdivision | 310-36-11 (TM)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Specific Plan<br>_____<br>Specific Plan Amendment | 310-36-25 (ZL)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Tentative Map - 5 or more lots (Pub. Works Eng. Review) | 310-36-11 (TM)<br>310-30-10 (EI)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>EI $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Variance | 310-36-26 (VA)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Zoning & Code Text Amendment | 310-36-25 (ZL)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Zoning Verification Letter | 310-36-25 (ZL)<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>P2 $<br>P3 $<br>PT $ |
| ☐ Fire Site Plan Review | 001-2303-310-30-06 (FS) | FS $ |
| ☐ Other<br>_____ | _____<br>310-30-25 (P6)<br>310-30-26 (P3)<br>310-30-31 (PT) | $<br>P2 $<br>P3 $<br>PT $ |
| | TOTAL | $ |

# PDL SOILS, ENGINEERING AND GEOTECH REPORT

Intertek psi

# Report of Phase I
# Environmental Site Assessment

Undeveloped Property
759 Sonoma Boulevard
Vallejo. California

Prepared for

Community Housing Development Corporation
1500A Fred Jackson Way
North Richmond. CA 94801

Prepared by

Professional Service Industries. Inc.
4703 Tidewater Avenue. Suite B
Oakland. California 94601

January 20. 2017

PSI Project 0575-1128

4703 Tidewater Avenue, Suite B
Oakland, CA 94601
phone: 510.434.9200
fax: 510.434.7676
intertek.com/building
psiusa.com

February 13. 2017

Mr. Don Gilmore
**Community Housing Development Corporation (CHDC)**
1500A Fred Jackson Way
North Richmond. CA 94801

Subject: Report of Phase I Environmental Site Assessment
Undeveloped Property
759 Sonoma Boulevard
Vallejo. California
PSI Project 0575-1159

Dear Mr. Gilmore:

Professional Service Industries. Inc. (PSI) performed the environmental site assessment that you requested. PSI provided its services in general accordance with our agreement dated February 1. 2017.

PSI thanks you for choosing us as your consultant for this project. Please contact us at (510) 434-9200 if you have any questions or we may be of further service.

Respectfully Submitted.

**PROFESSIONAL SERVICE INDUSTRIES, INC.**

Frank R. Poss
Environmental Services Manager

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# GENERAL INFORMATION

**Project Information**
Undeveloped Property

**Site Information**
Undeveloped Property
759 Sonoma Boulevard
Vallejo. California 95490

**Consultant Information**
Professional Service Industries. Inc. (PSI)

4703 Tidewater Avenue. Suite B
Oakland. California 94601
Phone: (510) 434-9200
Facsimile: (510) 434-7676

Site Access Contact: Ms. Cherene Sandidge. CHDC

**Client Information:**
Community Housing Development Corporation
1500A Fred Jackson Way
North Richmond. CA 94801

**Contract/Proposal:** 575-200804
**Authorization Date:** February 1. 2017
**Authorizing Party**: Mr. Don Gilmore. CHDC

**Site Assessor: Mary Skramstad**

---

I declare that. to the best of my professional knowledge and belief. I meet the definition of Environmental Professional as defined in 312.10 of this part. I have the specific qualifications based on education. training. and experience to assess a property of the nature. history. and setting of the subject property. I have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

**Environmental Professional**

Frank Poss

**Principal Consultant: Frank Poss**

---

## CONTINUED VIABLITY/EXPIRY

ASTM E1527-13 provides that a conforming environmental site assessment completed less than 180 days prior to the date of the intended transaction is presumed to be valid.

Additionally. an environmental assessment for which the information was collected or updated within one year prior to the transaction may be used provided that the following components were conducted or updated within 180 days of the date of the transaction:

- interviews with owners. operators. and occupants;
- searches for recorded environmental cleanup liens;
- reviews of federal. tribal. state. and local government records
- visual inspections of the property and of adjoining properties; and
- the declaration by the environmental professional responsible for the assessment or update.

Standard Guide E2600 for Vapor Encroachment Screening (VES). referenced in ASTME1527-13 provides that the VES is subject to the same expiry schedule as those in the Practice.

# 1 FINDINGS AND CONCLUSIONS

Professional Service Industries. Inc. (PSI) performed a Phase I Environmental Site Assessment (Phase I ESA) of undeveloped property at 759 Sonoma Boulevard. Vallejo. California.

PSI performed the Phase I ESA in general conformance with ASTM E1527-13 (the Practice). Limitations. exceptions and deviations from this protocol are discussed in Section 3.

PSI performed our services to comply with the contract between our client and PSI. The report should be read in its entirety to obtain a more complete understanding of the information provided and to aid in any decisions made or actions taken based on this information.

## 1.1 PHASE I ESA

The subject property is located on the southwest corner of McLane Street and Sonoma Boulevard. The main site address is 759 Sonoma Boulevard. Vallejo. California with historical addresses being 733 through 759 Sonoma Boulevard (odd) and 503 ½ McLane Street. The site can also be defined by a portion of County of Solano Assessor Parcel Numbers 0061-051-010. 0061-051-020. 0061-051-030. 0061-051-050. and 0061-051-050. Currently. the subject property consists of an undeveloped property.

Historical information sources researched in this assessment allowed uses of the property to be traced from the present back to 1889 as single family residences. The single-family residences are not present by 2003. The northeast corner appears to have been a small used car lot in the 1950s and 1970s

During the site reconnaissance. no hazardous waste or materials were identified at the subject property. In a review of the environmental database report for the subject property and site vicinity. none of the listed sites appeared to be a recognized environmental condition (REC).

Current use(s) of surrounding property is McLane Street followed by single family residences to the north; Star Mansion Bed & Breakfast and single family residences to the west; single family residence to the south; and S Sonoma Boulevard followed by undeveloped land. Dulceria La Rosa Market. and a single-family residence to the east.

### 1.1.1 SIGNIFICANT DATA GAPS

The Practice defines a Significant Data Gap as a gap that affects the ability to identify recognized environmental conditions. Findings and conclusions are subject to the limitations imposed by Significant Data Gaps.

PSI's assessment did not identify Significant Data Gaps.

### 1.1.1 HISTORICAL RECOGNIZED ENVIRONMENTAL CONDITIONS

This assessment has revealed no evidence of historical recognized environmental conditions (HRECs) in connection with the subject property.

### 1.1.2 CONTROLLED RECOGNIZED ENVIRONMENTAL CONDITIONS

This assessment has revealed no evidence of controlled recognized environmental conditions (CRECs) in connection with the subject property.

### 1.1.3 RECOGNIZED ENVIRONMENTAL CONDITIONS

This assessment has revealed no evidence of recognized environmental conditions in connection with the property. except for the following:

**On-Site Conditions**

- None identified at this time.

**Off-Site Conditions**

- None identified at this time.

## 1.2 OTHER ENVIRONMENTAL ISSUES

Assessment of other environmental issues beyond the consideration of ASTM E 1527-13 was not conducted at the request of Community Housing Development Corporation (CHDC).

## 1.3 RECOMMENDATIONS

Based on the information that PSI gathered and our experience. PSI recommends the following:

- PSI recommends no further assessment of recognized environmental conditions in connection with the subject property at this time.

# 2 INTRODUCTION

## 2.1 CONTRACT

The contract between PSI and our client. including the proposal number/contract reference and the authorization date was summarized on the General Information section of this report.

## 2.2 THE USER

The Practice defines the "User" of the Phase I Assessment as:

> "... the party seeking to use ASTM E1527 to complete an environmental site assessment of the property. A user may include. without limitation. a potential purchaser of property. a potential tenant of property. an owner of property. a lender. or a property manager. The user has specific obligations for completing a successful application of this practice ..."

PSI considers our direct client to be the User of this report.

## 2.3 PURPOSE OF SERVICES

The purpose of our services was to generally conform with the Practice. The goal of the processes established by the Practice is:

> "to identify Recognized Environmental Conditions (RECs) in connection with the property."

The purpose of the Practice:

> "is to define good commercial and customary practice in the United States of America for conducting an environmental site assessment (ESA) of a parcel of commercial real estate with respect to the range of contaminants within the scope of the Comprehensive Environmental Response. Compensation and Liability Act (CERCLA) (42 U.S.C. §9601) and petroleum products.
>
> As such. the Practice is intended to permit a user to satisfy one of the requirements to qualify for the innocent landowner. contiguous property owner. or bona fide prospective purchaser limitations on CERCLA liability (hereinafter. the "landowner liability protections." or "LLPs"): that is. the practice that constitutes all appropriate inquiries into the previous ownership and uses of the property consistent with good commercial and customary practice as defined at 42 U.S.C."

The Environmental Protection Agency amended the "All Appropriate Inquiries Rule" at 40 CFR Part 312 to reference the Practice and make clear that persons conducting all

appropriate inquiries may use the procedures included in the Practice to comply with the All Appropriate Inquiries Rule.

## 2.4 STANDARD OF CARE AND WARRANTIES

Our assessment is based on limited information collected under time and cost constraints. in general conformance with the Practice. Findings and conclusions derived from the methodologies described in the Practice contain all of the inherent limitations in the methodologies that are referred to in the Practice. including:

- No ESA can wholly eliminate uncertainty regarding the potential for RECs in connection with the property
- Our services were not intended to be technically exhaustive. There is a possibility that with the proper application of methodologies. conditions may exist on the property that could not be identified within the scope of the assessment(s) or that were not reasonably identifiable from the available information
- PSI did not independently verify the information we obtained from records or interviews. and PSI treated the information as reliable.
- Not every property warrants the same level of assessment
- Subsequent ESAs should not be considered valid standards to judge he appropriateness of an prior assessment. The observations and recommendations presented in this report are time dependent. and conditions will change. This report speaks only as of its date

PSI did not perform any exploratory probing or discovery. perform tests. operate any specific equipment. or take measurements or samples to perform the ESA scope. The ESA was not a building code. safety. regulatory or environmental compliance inspection. The ESA is not intended to reduce the risk of the presence of mold and physical deficiencies conducive to mold nor the risk that mold or physical deficiencies conducive to mold may pose to the buildings and building occupants.

PSI has performed the services in a manner consistent with that level of care and skill ordinarily exercised by other members of our profession currently practicing in the same locality and under similar conditions. within the limitations of the Practice. No other warranties are implied or expressed.

## 2.5 RELIANCE

Reliance or any use of this report by anyone other than Community Housing Development Corporation (CHDC) for which it was prepared is prohibited and therefore not foreseeable to PSI. Any unauthorized reliance on or use of this report. including any of the information or conclusions contained herein. will be at the third party's risk. No warranties or representations expressed or implied in this report are made to any such third party.

## 2.6 USE BY OTHER PARTIES

This report was prepared pursuant to a contract between PSI and our client. That contractual relationship included an exchange of information about the property and the purpose of our work that was unique and serves as the basis upon which this report was prepared. Because of the importance of these understandings. our assessment may not be appropriate or sufficient for the intended purposes of another party.

Reliance or any use of this report by anyone other than those parties identified above for which it was prepared. except with express written permission. is prohibited and therefore not foreseeable to PSI. Any unauthorized reliance on or use of this report. including any of the information or conclusions contained herein. will be at such third party's risk. No warranties or representations expressed or implied in this report are made to any such third party.

Third party reliance letters may be issued

- Upon timely request
- Subject to the permission by our original client and
- Payment of the then-current fee for such letters.

All third parties relying on our report. by such reliance. agree that such reliance is limited by our proposal and/or General Conditions. as applicable.

# 3 SCOPE AND METHODOLOGY

PSI performed a Phase I ESA of the subject property. The scope of our services and general methodology is presented below. The information sources that PSI used. including published material. material obtained from commercial and other sources. is listed below and cited as it is presented in the report. The information or excerpts thereof is appended.

## 3.1 PHASE I ESA

This assessment included four components:

- Records review;
- Reconnaissance;
- Interviews; and
- Preparation of this report. including our evaluation.

The assessment was also intended to satisfy our client's requirements. described in:

- PSI Proposal Number 575-200804 dated January 31. 2017 and approved February 1. 2017.

Assessment of other environmental issues beyond the consideration of ASTM E 1527-13 was not conducted at the request of CHDC.

### 3.1.1 RECORDS REVIEW

**Physical Setting Sources**

The sources that PSI reviewed to assist with the physical setting of the site to assist with the interpretation of subsurface water movement are tabulated below.

| Summary of Physical Setting Sources | |
|---|---|
| **Source Name** | **Year Published/Issued** |
| **USGS 7.5 Minute Topo Map** | Benicia. California 2012 |
| **EDR GeoCheck Report** | 2017 |
| **State of California GeoTracker Website** | 2017 |
| **Notes: USGS = United States Geological Survey** | |

## Environmental Regulatory Information

PSI retained Environmental Data Resources. Inc. (EDR) to provide environmental information attributed to the subject property and its surroundings. EDR obtains environmental records published by local. state. tribal. and federal agencies and maps the information for electronic searches

The search was performed to Approximate Minimum Search Distances (AMSD) listed in ASTM E 1527-13.

Unmappable (orphan) sites (if any were listed) having insufficient address information to be mapped were evaluated for potential location within the AMSD. Those that could be determined to be within the AMSD are discussed in Environmental Records Review section of the report.

## Freedom of Information (FOIA) Requests

PSI often submits requests under the Freedom of Information Act (FOIA) or its State or local equivalent. In some cases. PSI does not submit such requests since the information is available through informal information requests. interviews or other methods.

The FOIA reviews that we submitted and the outcomes are tabulated and discussed below.

| FOIA Request | |
|---|---|
| **Agency** | **Response** |
| **Solano County Environmental Health Division** | Yes |
| **Vallejo Fire Department** | Yes |

## Regulatory Agency File and Record Reviews

The Practice provides that if the subject property or any adjoining properties are identified on one or more of the standard environmental record sources in 8.2.1. pertinent regulatory files and/or records associated with the listing should be reviewed. subject to the discretion of the EP. PSI did not obtain any documentation from the FOIA requests.

## Historical Use Information

PSI used USGS Topo maps to provide information about the history of the subject property and its surroundings. PSI also reviewed other historical resources. The resources PSI reviewed are tabulated below.

| Historical Resources | | |
|---|---|---|
| **Source Type** | **Years Reviewed** | **Source** |
| **USGS Topo Maps** | **See Section 3.1.1** | **USGS/EDR** |
| **Aerial Photograph(s)** | 1937. 1947. 1952. 1958. 1968. 1974. 1982. 1993. 2005. 2006. 2009. 2010. 2012 | EDR |
| **Fire Insurance Maps** | 1889. 1901. 1919. 1944. 1950. 1956. 1970 | EDR |
| **Street Directories** | 1926. 1937. 1959. 1965. 1970. 1974. 1979. 1984. 1988. 1992. 1995. 1999. 2003. 2008. 2013 | EDR |

## Recorded Land Title Records

PSI did not review land title records to obtain information about the current and past owners of the subject property and past uses and tenancies.

## User-Provided Information: Liens, AULs and Other Information

The Practice requires that the User provide information about Environmental Liens and Activity and Use Limitations (AULs) currently recorded against the property. The Practice indicates that the User should engage a title company to conduct the review or negotiate such engagement as an addition to the environmental professional's (EP) services. In addition. the Practice suggests that the User provide the EP with certain other information about the property and the reason for the Phase I ESA.

Our client returned PSI's questionnaire indicating 'No' to the question: "Pursuant to ASTM E 1527-13 Section 10.9. as the user of this ESA do you know of (1) any pending. threatened. or past litigation relevant to hazardous substances or petroleum products in. on. or from the property; (2) any pending. threatened. or past administrative proceedings relevant to hazardous substances or petroleum products in. on. or from the property; and (3) any notices from any governmental entity regarding any possible violation of environmental laws or possible liability relating to hazardous substances or petroleum products?".

**Helpful Documents and Proceedings**

The Practice requires that the environmental professional ask the property owner. the key site manager (if any is identified). and the User for certain helpful documents about the property and certain legal proceedings involving hazardous substances and the subject property.

The responses documenting the persons we contacted and relevant information obtained are appended where practical. If such documentation was too large to append. it is available at the PSI office that prepared this report.

PSI mailed or e-mail questions or performed interviews requesting this information. PSI obtained no information relevant or useful to this assessment from this process.

**Reconnaissance**

Ms. Cherene Sandidge. CHDC. granted PSI access to the subject property. Our assessor was not escorted during the site reconnaissance.

The ground reconnaissance consisted of observing the periphery of the subject property and viewing the subject property from accessible adjacent public access areas. PSI systematically toured the interior portions of the subject property to provide an overlapping field of view. The peripheries of surface features and/or structures. where present on the subject property. were observed along with accessible interior common areas. PSI photo-documented selected features that we encountered during our reconnaissance.

Reconnaissance of adjoining properties was limited to areas and facilities that were readily observable from the subject property or from public access areas.

**Interviews**

PSI made reasonable attempts to interview selected persons having knowledge of the uses and conditions of the subject property. past and present. A list of the persons that PSI interviewed and attempted to interview. along with our interpretations is presented in the Interview section of this report.

**Vapor Encroachment Screening**

Vapor encroachment is an evolving matter associated with the potential for chemicals of concern (COC) to migrate as vapors onto a property as a result of contaminated soil and groundwater on or near the property. The Practice requires the EP to evaluate:

> The movement of hazardous substances or petroleum products in any form. including. for example. solid and liquid at the surface or subsurface. and vapor in the subsurface.

The term "hazardous substance" used in CERCLA is not limited to solids and liquids and USEPA has taken the view that the vapor phase of volatile hazardous substances shall be considered and addressed under CERCLA. Additionally. humans may be subjected to subsurface vapor if subsurface volatile chemicals migrate into occupied buildings through cracks and penetrations in the building floor.

Use of Standard Guide E2600-10

ASTM developed E2600-10 "Standard Guide for Vapor Encroachment Screening on Property Involved in Real Estate Transactions" (E2600). The purpose of the guide is

> To provide practical guidance and a useful process for conducting a vapor encroachment screen (VES) on a property parcel involved in a real estate transaction in the United States of America with respect to chemicals of concern (COC) that may migrate as vapors onto a property as a result of contaminated soil and groundwater on or near the property.
>
> The goal of this VES is to identify a vapor encroachment condition (VEC). which is the presence or likely presence of COC vapors in the sub-surface of the target property (TP) caused by the release of vapors from contaminated soil or groundwater either on or near the property as identified by certain procedures

The Practice references E2600 but does not endorse its use. nor any other process for the assessment of soil vapor. PSI considers the goal described in E2600 to be consistent with the goal of the Practice. Based on our experience. we consider the processes in E2600 to be customary practice for conducting a VES for a commercial property transaction. Therefore. PSI's assessment of soil vapor is based on the processes described in E2600.

Methodology

E2600 VES uses information collected as a normal part of the Practice. PSI proposes to

- Establish a nominal Area of Concern (AoC) using E2600 Approximate Minimum Search Distances (AMSD)
- Reduce or expand the distances based on known or inferred groundwater flow directions and other information regarding the subsurface conditions in the area
- Identify potential vapor source sites within the AoC using:
  - Environmental records
  - Historical records and
  - Other provided information

PSI will evaluate the identified potential sources for a VEC and determine for each if:

- A VEC exists or likely exists;
- A VEC can be ruled out because a VEC does not or is not likely to exist.

For those sites where PSI determines that a VEC exists or likely exists. PSI will determine whether or not the condition represents a REC. PSI will discuss its evaluation of VECs in the section of this report where the potential source condition is first encountered.

## 3.2 LIMITATIONS, EXCEPTIONS, DEVIATIONS AND DATA GAP

Limitations. exceptions. and deviations from the Practice manifest as a lack of or inability to obtain information required by the Practice. This represents the definition of the 'data gap' contained in the Practice.

PSI listed the component objectives of the Practice on the appended Data Gap Worksheet and tracked the information obtained against the objectives. Therefore the limitations. exceptions and deviations are identified in the Worksheet.

In general. when required information was incomplete. not provided. otherwise not obtained. or indicated a need for additional information. PSI attempted to use information from other sources to meet the Practices' performance objectives. When the data gaps affected the Environmental Professional's ability to identify RECs. PSI considered the data gap(s) to be significant. PSI identified significant data gaps (if any) on the Data Gap Worksheet and reported them in Section 1.

Remaining data gaps are listed below.

- Recorded land title records and lien records to identify environmental liens and activity and use limitations (AULs) was not provided or otherwise made available to PSI for incorporation into this report. In the event that these records become available. PSI will evaluate this new information and determine whether or not it affects the conclusions of this report.

  However. based on information obtained during this Phase I ESA. PSI does not expect that this data gap will impact the conclusions of this report.

- A data gap of greater than five years is present between historical information sources. However. using the historical information sources available. PSI believes that it is able to construct a complete site history for the site at the subject property since 1889. as what appears to be single family dwellings. Based on the size of the historical use of the subject property and site vicinity. the use data gap is not expected to affect the conclusions of this report.

- Historical information sources researched in this assessment did not allow uses of the property to be traced back to first development. However. based on use of the

subject property and surrounding properties as of 1889. as what appears to be single family dwellings. PSI does not expect that this historical data failure will affect the conclusions of this report.

## 3.3 SIGNIFICANT ASSUMPTIONS

PSI made the following assumptions in developing our Phase I ESA findings and conclusions:

- Regulatory Records and Information - PSI considers all information provided by our environmental information subcontractor(s) and by regulatory agencies regarding regulatory status of facilities to be complete. accurate. and current.
- Title. Lien and AUL Information - PSI considers all information provided by real estate title record review firms regarding property use or ownership. encumbrances or other limitations. if provided. to be complete. accurate and current.
- Interviews - PSI considers all information provided through interviews to be complete. unbiased and provided in good faith.
- PSI interpreted and inferred the direction of the shallow groundwater movement based on the information we obtained and our experience. Actual groundwater flow may be locally influenced by many factors beyond the scope of this assessment. Subsurface investigation would be necessary to determine site-specific groundwater flow direction.

# 4 USER-PROVIDED INFORMATION

## 4.1 USER'S RESPONSIBILITIES

### 4.1.1 ENVIRONMENTAL LIENS

PSI obtained information about environmental liens recorded against the subject property at the request of the client. PSI retained EDR to perform the search.

The information indicated that an environmental lien is not recorded against the subject property.

### 4.1.2 ACTIVITY AND USE LIMITATIONS

PSI obtained information about AULs against the subject property at the request of the client. PSI retained EDR to perform the search.

The information indicated that an AUL is not recorded against the subject property.

## 4.2 SUGGESTED INFORMATION

Our client provided PSI with the following suggested information described by the Practice.

- The reason for performing the Phase I ESA.
- The type of property and type of property transaction.
- The complete and correct address for the property.
- The scope of services desired for the Phase I ESA.
- Identification of all parties who will rely on the Phase I ESA report.
- Identification of the site contact and how the contact can be reached.

## 4.3 HELPFUL DOCUMENTS

The client did not provide PSI with prior reports of prior assessments of the site.

## 4.4 PROCEEDINGS

PSI was not provided with information about legal proceedings or litigation involving the subject property. This is a limitation and evaluated on the appended Data Gap Worksheet.

# 5 PHYSICAL SETTING

Based on a groundwater monitoring report for a former produce warehouse at 206-212 Lemon Street. 900 feet southwest of the subject property. PSI infers that the shallowest groundwater:

- Moves towards the southwest.
- Occurs at a depth of approximately 5 feet below the ground surface.

Other information about the physical setting of the subject property is tabulated below.

| Physical Setting | |
|---|---|
| **Nominal Elevations, (ft, above MSL)** | Approximately 62 |
| **Surface Topo Characteristics** | The site vicinity slopes to the southeast. |
| **General Soil Type** | Dibble. clay loam. Class C – slow infiltration rates and well drained |
| **Does EDR Map a Floodplain On-Site?** | No |
| **Does EDR Map a Wetlands On-Site?** | No |
| **On-Site Water Bodies** | None were observed |
| **Off-Site Water Bodies** | None were observed on adjoining properties. but Napa River is approximately ¼ mile to the west. |

PSI reviewed oil and gas well data provided by EDR in their Radius Map Report. According to these sources. no oil or gas production or exploration wells were located on the subject property.

Based on a review of US National Wetland Inventory (NWI) for the Benicia. CA quadrant. which includes the subject property. no wetlands are located on or adjacent to the subject property.

# 6 ENVIRONMENTAL RECORDS REVIEW

## 6.1 DATABASE FINDINGS

The distribution of listed sites with respect to the subject property is tabulated and mapped in EDR's Radius Map Report. which is appended. The reader is referred to the table. which can be found near the front of EDR's report.

### 6.1.1 SUBJECT PROPERTY

EDR's report did not identify the subject property.

### 6.1.2 ADJOINING PROPERTIES

EDR's report did not identify sites adjoining the subject property.

### 6.1.3 SURROUNDING PROPERTIES

EDR's report identified sites surrounding the subject property. PSI considered all of the listed sites unlikely to impact the subject site. based upon factors including (but not limited to):

- The nature of the listing
- The use of the site
- When the site was listed and its current listed status
- The developmental density of the setting
- The distance between the listed and subject sites as related to the distance that releases are likely to migrate based on local surface and subsurface drainage conditions
- The presence of intervening drainage divides and depth to groundwater
- Contaminants of concern
- The inferred groundwater movement

## 6.2 OTHER REGULATORY INFORMATION

### 6.2.1 FOIA RESPONSES

Any information from the FOIA request to the Solano County Environmental Health Department and Vallejo Fire Department has been incorporated into the body of this report.

### 6.2.2 REGULATORY AGENCY-MAINTAINED WEBSITES

PSI reviewed the website maintained by the State Water Resources Control Board Geotracker website and other hazardous material/petroleum product release investigation sites. The website confirmed information in EDR's Radius Map Report.

### 6.2.3 OTHER REGULATORY AGENCY INFORMATION REVIEWED

No other regulatory agency information was reviewed during this assessment as such a review was determined not to be warranted since the information in the EDR Radius Map Report was sufficient for PSI to determine if a REC was present.

# 7 SITE RECONNAISSANCE

The location and approximate boundaries of the property are illustrated on the appended figures. The legal description of the property. if provided to PSI. is appended.

| Site Reconnaissance | |
|---|---|
| **Project Name** | Undeveloped Property |
| **Property Address** | 759 Sonoma Boulevard (733-759 Sonoma Boulevard and 503 ½ McLane Street |
| **City, County, State, ZIP Code** | Vallejo. Solano. California 94590 |
| **Site Area (square feet)** | 30.000 |
| **No. Buildings/Units/Stories** | None |
| **Building Area (sf)** | Not Applicable (NA) |
| **Occupied Subgrade Spaces?** | No |
| **Year(s), First Developed for Current Use** | By 1993. all former single family residences were no longer present |
| **Year(s), Additional Phases** | NA |
| **Year Significant Renovations** | NA |

## 7.1 DESCRIPTION AND CURRENT USES

The subject property is located on the southwest corner of McLane Street and Sonoma Boulevard. The main site address is 759 Sonoma Boulevard. Vallejo. California with historical addresses being 733 through 759 Sonoma Boulevard (odd) and 503 ½ McLane Street. The site can also be defined by a portion of County of Solano Assessor Parcel Numbers 0061-051-010. 0061-051-020. 0061-051-030. 0061-051-050. and 0061-051-050.

Currently. the subject property consists of an undeveloped property. The drive ways for some of the single-family dwellings are still present.

### 7.1.1 INTERIOR AND EXTERIOR OBSERVATIONS

A summary of the subject property uses and conditions is tabulated below. Detailed information is discussed following the summary for any "yes" answers. along with an opinion about the significance of the listing.

| Interior and Exterior Observations | |
|---|---|
| **Yes/No** | **Category** |
| **No** | Hazardous Substances |
| **No** | Petroleum Products |
| **No** | Aboveground or Underground Storage Tanks (ASTs/USTs) |
| **No** | Drums |
| **No** | Suspect Containers |
| **No** | Electrical or Mechanical Equip. Suspected to Contain PCBs |
| **No** | Interior Stains or Corrosion |
| **No** | Drains or Sumps |
| **No** | Wastewater Discharges |
| **No** | Septic or Sewage Tanks |
| **No** | Pits. Ponds or Lagoons |
| **No** | Pools of Liquid or Standing Water |
| **No** | Solid Waste Dumping/Landfills/Suspect Fill Material |
| **No** | Stained Soil or Pavement |
| **No** | Stressed Vegetation |
| **No** | Drinking Water Wells |
| **No** | Irrigation Wells |
| **No** | Monitoring Wells |
| **No** | Odors |
| **No** | Other Uses or Conditions of Concern |

No evidence of recognized environmental conditions was observed as part of the site reconnaissance of the subject property.

## 7.2 PAST USES

Our interpretation of the past uses of the property. based on the historical data sources listed in Section 3.1 of this report. is tabulated below.

| Past Uses | |
|---|---|
| **Year(s)** | **Interpreted Property Use** |
| 1889. 1901. 1919. 1937. 1944. 1947 | Sanborn Maps & Aerial Photographs: The subject property appears to be developed as single family dwellings. |
| 1950. 1952. 1956. 1959. 1958. 1965. 1968. 1970. 1974. 1979. 1982. 1984. 1988. 1992. 1993. 1995. 1999. | Sanborn Maps. Aerial Photographs. and City Directory: The subject property appears to be single family dwellings with the northeastern corner of the property listed as used car sales. The aerial photographs do not indicate a significant number of cars. The Sanborn Maps show a small office. The remainder of the property is single family dwellings. City directories indicate residents with the exception of a listing of Buck Mesick used cards in 1959 at 759 Sonoma. The last listing for a residence is 1979. |
| 2003. 2005. 2006. 2008. 2009. 2010. 2012. 2013 | Sanborn Maps and City Directory: The subject property appears to be undeveloped with all buildings removed. City Directories do not indicate the subject property. |

The historical information developed and reviewed for the subject property did not reveal evidence of recognized environmental conditions.

# 8 ADJOINING PROPERTY RECONNAISSANCE

## 8.1 DESCRIPTION AND CURRENT USES

Our interpretation of the uses of the adjoining and surrounding property is tabulated below and detailed in the subsequent sections.

| Adjoining Current Use | |
|---|---|
| **Direction** | **Interpreted Property Use** |
| **North** | McLane Street followed by single family residences |
| **South** | Single family residence |
| **West** | Star Mansion Bed & Breakfast and single family residences |
| **East** | Sonoma Boulevard followed by undeveloped land. Dulceria La Rosa Market. and a single-family residence. |

### 8.1.1 INTERIOR AND EXTERIOR OBSERVATIONS

A summary of our interpretation of the current and past uses and conditions of adjoining and surrounding property based on historical records and observations is provided below.

| Interior and Exterior Observations | |
|---|---|
| **Yes/No** | **Category** |
| **No** | Hazardous Substances |
| **No** | Petroleum Products |
| **No** | Aboveground or Underground Storage Tanks (ASTs/USTs) |
| **No** | Drums |
| **No** | Suspect Containers |
| **No** | Electrical or Mechanical Equip. Suspected to Contain PCBs |
| **No** | Interior Stains or Corrosion |
| **No** | Drains or Sumps |
| **No** | Wastewater Discharges |
| **No** | Septic or Sewage Tanks |
| **No** | Pits. Ponds or Lagoons |
| **No** | Pools of Liquid or Standing Water |

| | |
|---|---|
| **No** | Solid Waste Dumping/Landfills/Suspect Fill Material |
| **No** | Stained Soil or Pavement |
| **No** | Stressed Vegetation |
| **No** | Drinking Water Wells |
| **No** | Irrigation Wells |
| **No** | Monitoring Wells |
| **No** | Odors |
| **No** | Other Uses or Conditions of Concern |

The information developed and reviewed for adjoining properties did not reveal evidence of recognized environmental conditions in connection with the subject property.

## 8.2 PAST USES

Our interpretation of the past uses of the adjoining properties is tabulated below.

| **Past Site Uses, North** | |
|---|---|
| **Year(s)** | **Interpreted Property Use** |
| 1889. 1901 | Aerial Photographs: The adjacent property to the north appears to be McLane Street followed by undeveloped land. |
| 1919. 1937. 1944. 1947. 1950. 1952. 1956. 1958. 1968. 1970. 1974. 1982. 1993. 2005. 2006. 2009. 2010. 2012 | Aerial Photographs: The adjacent property to the north appears to be McLane Street followed by single family dwellings. It appears that the building on the east. also was used as a store with listings of upholstery and a market. |

| **Past Site Uses, West** | |
|---|---|
| **Year(s)** | **Interpreted Property Use** |
| 1889. 1901. 1919. 1937. 1944. 1947. 1950. 1952. 1956. 1958. 1968. 1970. 1974. 1982. 1993. 2005. 2006. 2009. 2010. 2012 | Aerial Photographs: The adjacent property to the west appears to be single family dwellings with a larger multi-family or bed breakfast establishment on the northern portion. |

| Past Site Uses, South | |
|---|---|
| **Year(s)** | **Interpreted Property Use** |
| 1889. 1901. 1919. 1937. 1944. 1947. 1950. 1952. 1956. 1958. 1968. 1970. 1974. 1982. 1993. 2005. 2006. 2009. 2010. 2012 | Aerial Photographs: The adjacent property to the south appears to be a single-family residence. |

| Past Site Uses, East | |
|---|---|
| **Year(s)** | **Interpreted Property Use** |
| 1889. 1901. 1919. 1937. 1944. 1947 | Aerial Photographs: The adjacent property to the east appears to be Sonoma Boulevard followed by a single-family residence and then a second by 1919. |
| 1950. 1952. 1956. 1958. 1968. 1970. 1974. 1982. 1993. 2005. 2006. 2009. 2010. 2012 | Aerial Photographs: The adjacent property to the east appears to be Sonoma Boulevard followed by a single-family residence. the current market. and another single family to the north. By 1968. the northern single family residence is no longer present. The market has also been a café and restaurant. |

The historical information developed and reviewed for adjoining properties did not reveal evidence of recognized environmental conditions in connection with the subject property.

# 9 INTERVIEWS

PSI interviewed parties potentially having information about current and/or former conditions at the subject property. The parties and their affiliation are tabulated below.

| Interviews | | |
|---|---|---|
| **Name** | **Affiliation** | **Role** |
| Mr. Don Gilmore | CHDC | Executive Director |
| Ms. Cherene Sandidge | CHDC | Site Contact |
| Mr. Matt Geisert | Solano County Environmental Health Department | Project Manager |
| Ms. Shirley Herbert | Vallejo Fire Department | Secretary |

No evidence of RECs was identified as a result of the interviews conducted during this assessment.

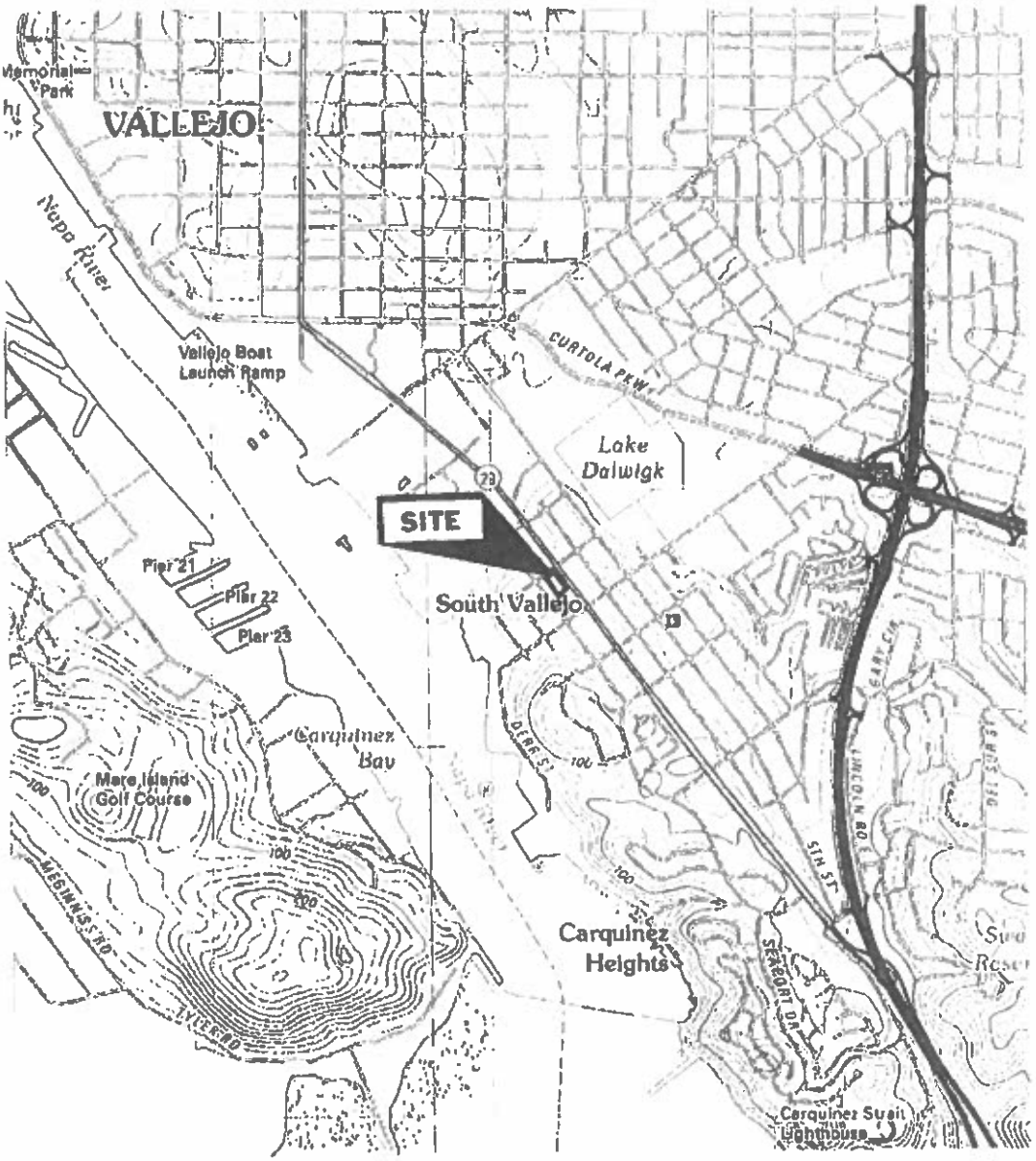
# 10 VAPOR ENCROACHMENT

A vapor encroachment screen (VES) for potential chemicals of concern (COC) was completed for the subject property. The assessment was based on the ASTM published Standard Guide E 2600-10. The purpose of the VES was to evaluate for the potential for a vapor encroachment condition (VEC) which is the presence or likely presence of COC vapors in subsurface soils at the subject property caused by the release of vapors from contaminated soil or groundwater on or near the subject property.

Based on the regulatory agency records review and historic research conducted as part of the Phase I ESA. there is no evidence of soil or groundwater contamination in the vicinity of the subject property that presents a current or would present a future indoor air quality risk for the current structure.

# FIGURES

NORTH

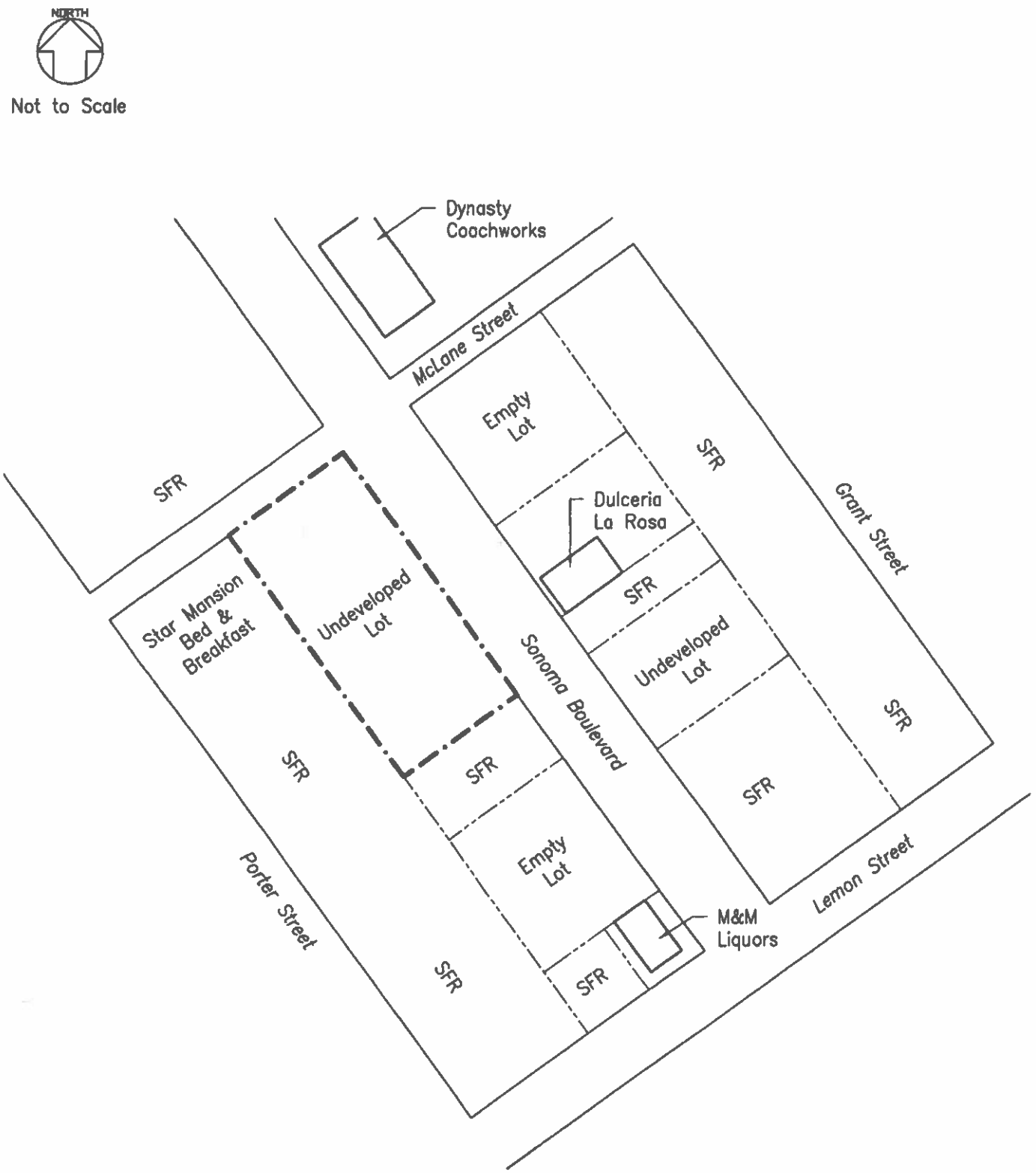



REFERENCE:
U.S.G.S. BENECIA, CA 2012

Intertek psi

4703 Tidewater Avenue, Suite B
Oakland, California 94601
(510) 434-9200

| Project Name: | Drawn By: | Date: | File No.: | Figure No.: |
|---|---|---|---|---|
| UNDEVELOPED LOT<br>759 SONOMA BOULEVARD, VALLEJO, CALIFORNIA | M.C. | 2/9/17 | 1159-02-001 | 1 |
| Title: SITE VICINITY MAP | Approved By: P.P. | Project No.: 575-1159 | | |




## LEGEND

SUBJECT PROPERTY BOUDNDARY

SFR SINGLE-FAMILY RESIDENTIAL

Intertek psi

4703 Tidewater Avenue, Suite B
Oakland, California 94601
(510) 434-9200

| Project Name: | Drawn By: | Date: | File No.: | Figure No.: |
|---|---|---|---|---|
| UNDEVELOPED LOT<br>759 SONOMA BOULEVARD, VALLEJO, CALIFORNIA | M.C. | 2/9/17 | 1159-62-001 | 2 |
| Title: SITE PLAN | Approved By: F.P. | Project No.: 575-1159 | | |

# PHOTOGRAPHS

**PHOTOGRAPHIC LOG**

*759 Sonoma Boulevard, Vallejo, California*

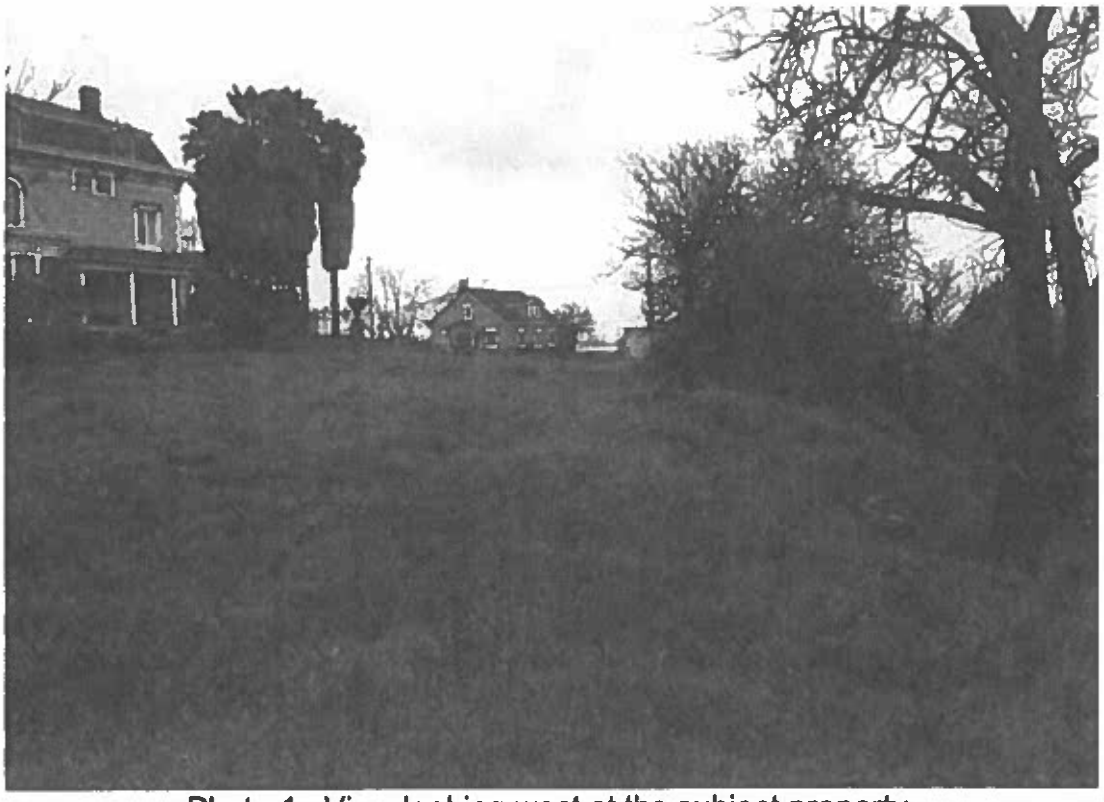


Photo 1: View looking west at the subject property.

Photo 2: View looking west at the subject property.

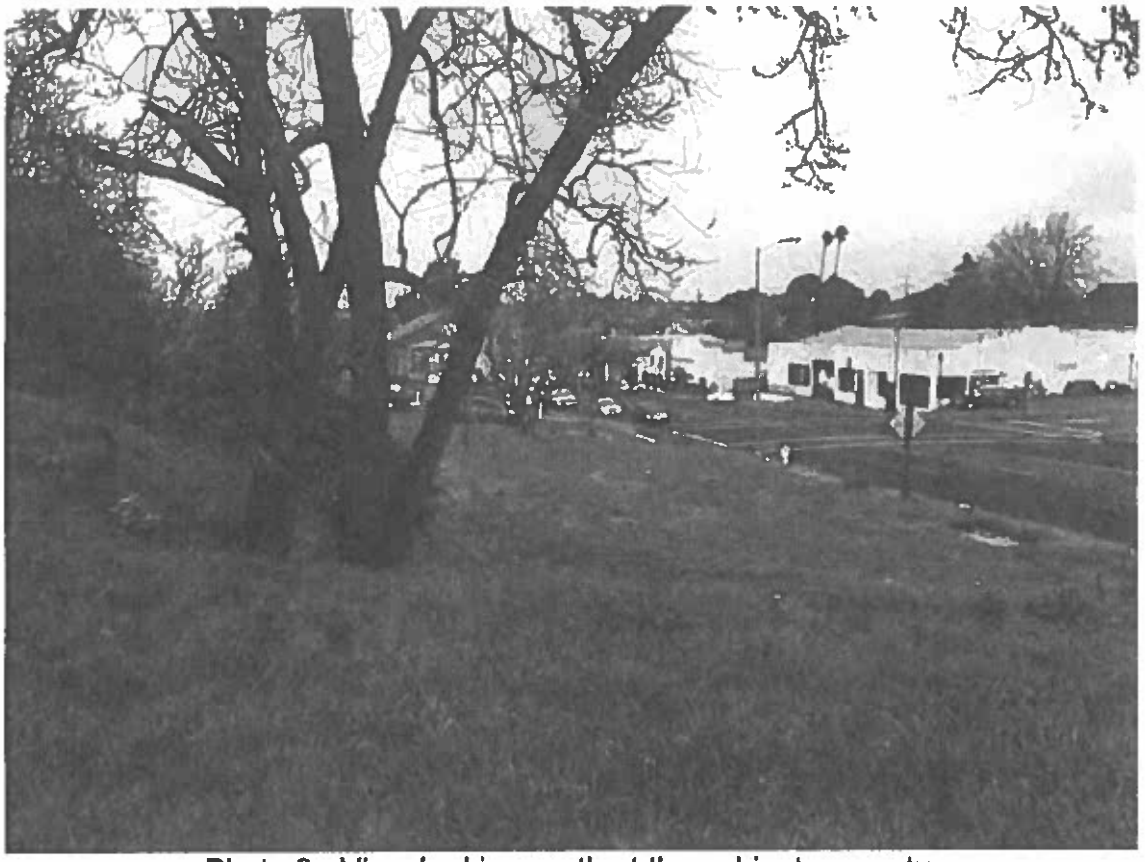


Photo 3: View looking north at the subject property.

Photo 4: View looking southwest at the subject property.

Photo 5: View looking south at the subject property.

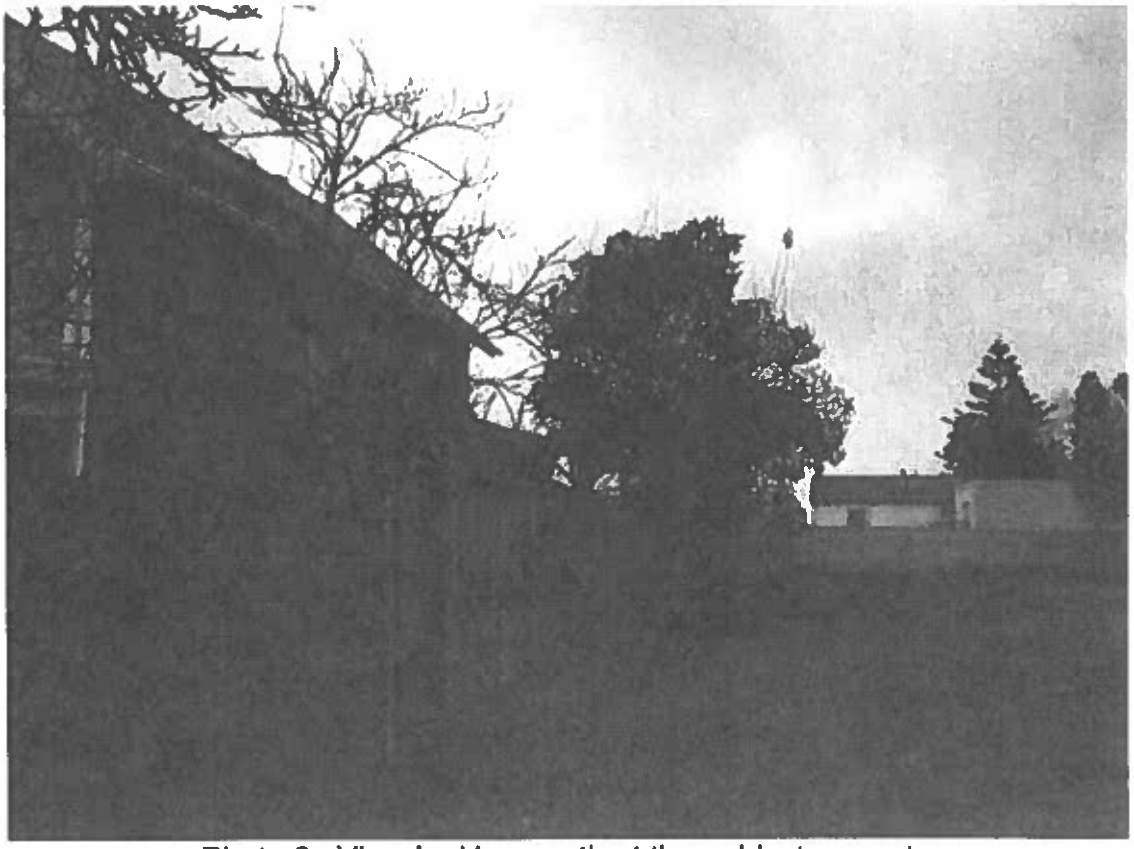


Photo 6: View looking south at the subject property.

Photo 7: View looking east at the subject property.

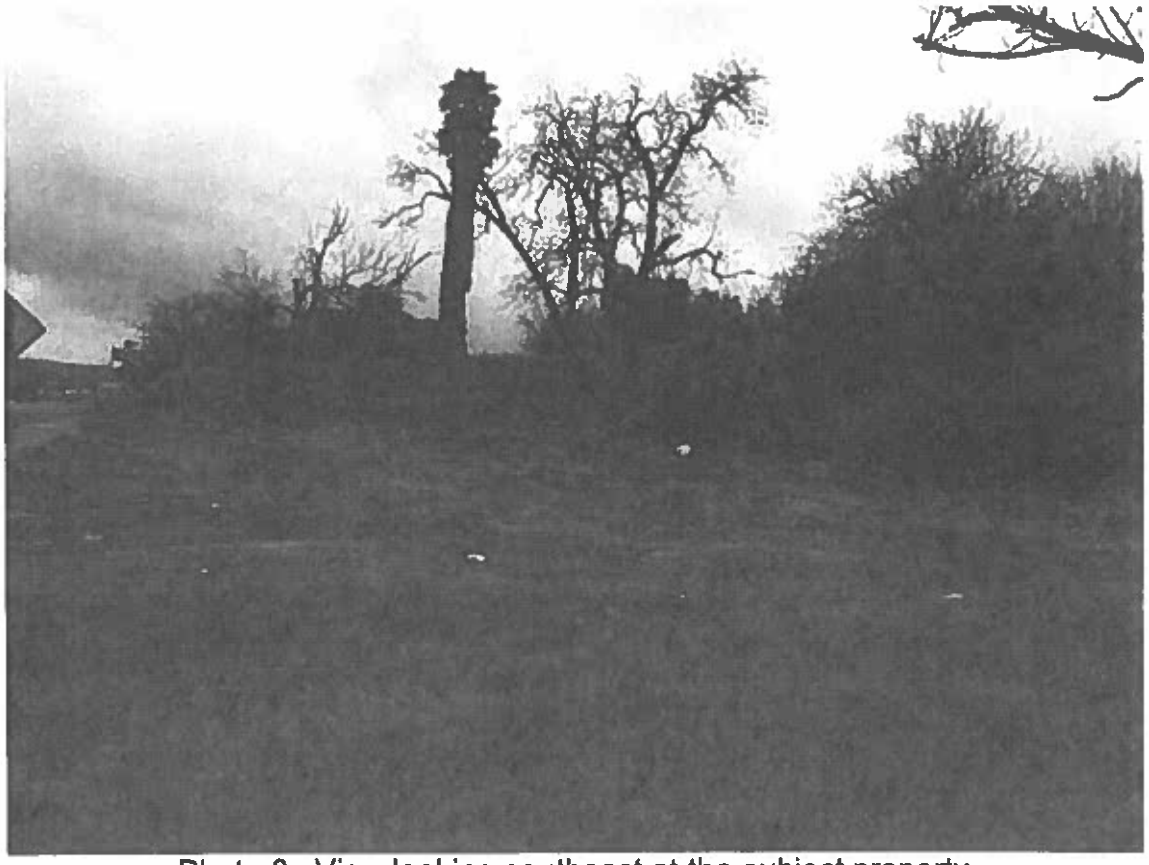


Photo 8: View looking southeast at the subject property.

Photo 9: View looking west across Mclane St at the adjacent property to the west.

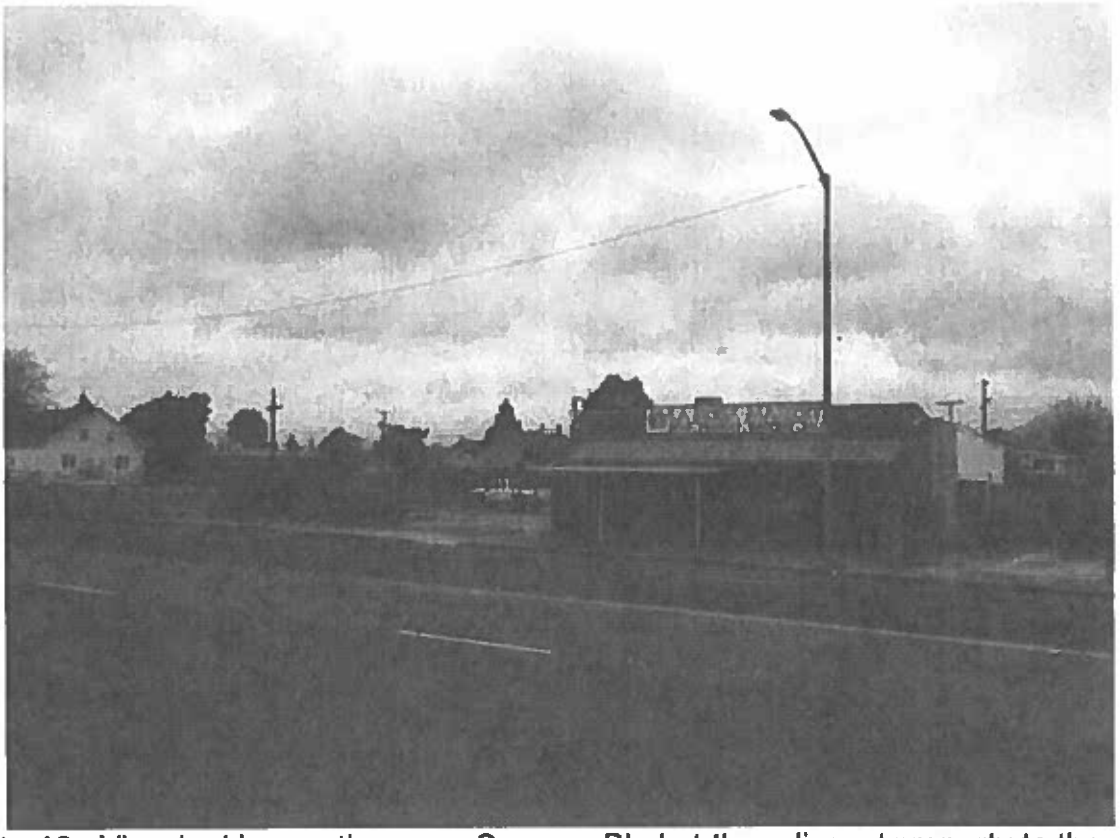


Photo 10: View looking north across Sonoma Blvd at the adjacent property to the east.

Photo 11: View looking northwest at the adjacent property to the north.

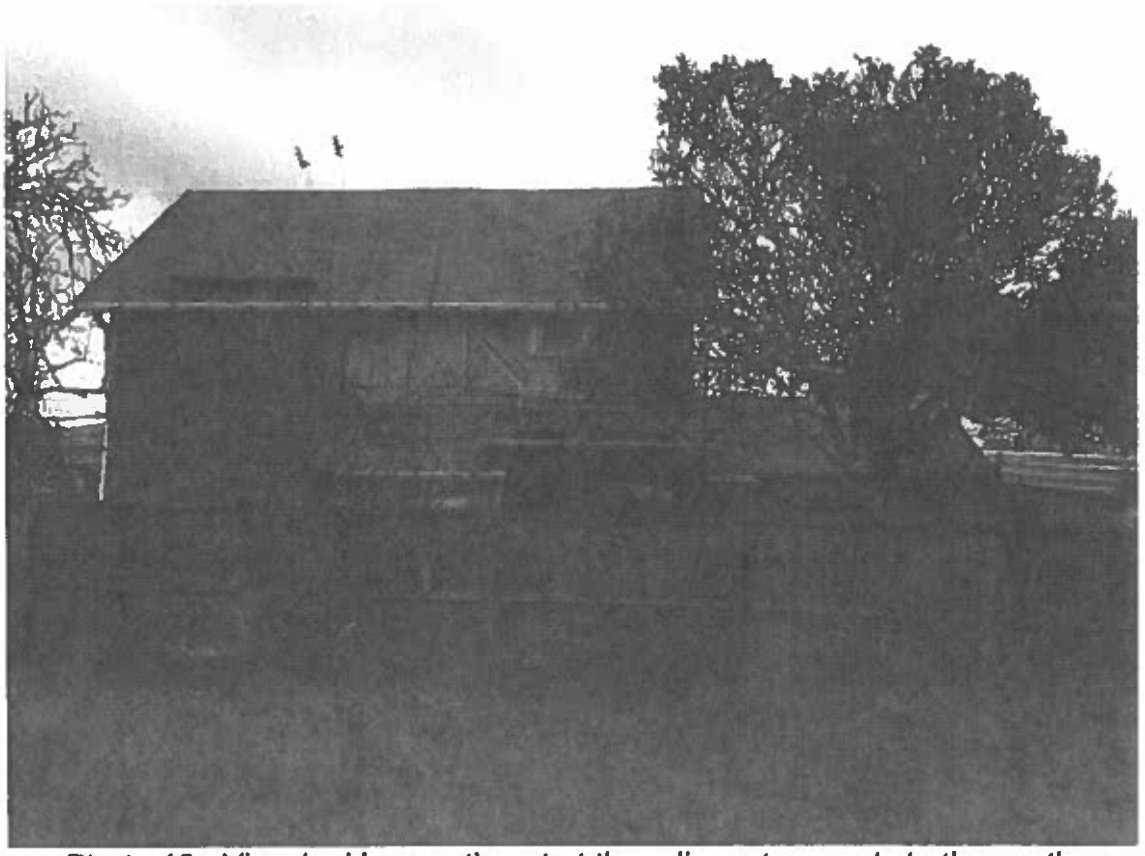


Photo 12: View looking southeast at the adjacent property to the south.

# ENVIRONMENTAL DATABASE REPORT

Intertek psi

**Undeveloped Land**
759 Sonoma Boulevard
Vallejo. CA 94590

Inquiry Number: 4846914.2s
February 06. 2017

# The EDR Radius Map™ Report with GeoCheck®

6 Armstrong Road, 4th floor
Shelton, CT 06484
Toll Free: 800.352.0050
www.edrnet.com

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with any questions or comments.


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# EXECUTIVE SUMMARY

A search of available environmental records was conducted by Environmental Data Resources. Inc (EDR). The report was designed to assist parties seeking to meet the search requirements of EPA's Standards and Practices for All Appropriate Inquiries (40 CFR Part 312). the ASTM Standard Practice for Environmental Site Assessments (E 1527-13) or custom requirements developed for the evaluation of environmental risk associated with a parcel of real estate.

**TARGET PROPERTY INFORMATION**

**ADDRESS**

759 SONOMA BOULEVARD
VALLEJO. CA 94590

**COORDINATES**

| | |
|---|---|
| Latitude (North): | 38.0883880 - 38' 5' 18.19" |
| Longitude (West): | 122.2444550 - 122' 14' 40.03" |
| Universal Tranverse Mercator: | Zone 10 |
| UTM X (Meters): | 566257.2 |
| UTM Y (Meters): | 4215685.5 |
| Elevation: | 62 ft. above sea level |

**USGS TOPOGRAPHIC MAP ASSOCIATED WITH TARGET PROPERTY**

| | |
|---|---|
| Target Property Map: | 5602094 BENICIA. CA |
| Version Date: | 2012 |
| Southwest Map: | 5602140 MARE ISLAND. CA |
| Version Date: | 2012 |

**AERIAL PHOTOGRAPHY IN THIS REPORT**

| | |
|---|---|
| Portions of Photo from: | 20140608 |
| Source: | USDA |

## MAPPED SITES SUMMARY

Target Property Address:
759 SONOMA BOULEVARD
VALLEJO. CA 94590

Click on Map ID to see full detail.

| MAP ID | SITE NAME | ADDRESS | DATABASE ACRONYMS | RELATIVE ELEVATION | DIST (ft. & m DIRECTION |
|---|---|---|---|---|---|
| Reg | MARE ISLAND NAVAL ST | | DOD | Same | 3863. 0.732. V |
| 1 | | 457 GRANT ST | EDR Hist Auto | Lower | 297. 0.056. Nc |
| A2 | SPRR DEPOT | LEMON STREET AT DERR | ENVIROSTOR | Lower | 312. 0.059. SS |
| A3 | | 417 LEMON ST | EDR Hist Auto | Lower | 421. 0.080. So |
| A4 | | 407 LEMON ST | EDR Hist Auto | Lower | 470. 0.089. So |
| B5 | 7-UP BOTTLING CO. OF | 425 CHESTNUT ST | SWEEPS UST. HIST UST. CA FID UST | Lower | 490. 0.093. WI |
| B6 | SEVEN UP BOTTLING CO | 425 CHESTNUT ST | HIST UST | Lower | 490. 0.093. WI |
| B7 | BBK 7 UP BUILDING | 425 CHESTNUT ST | LUST. HIST CORTESE | Lower | 490. 0.093. WI |
| 8 | | 322 LEMON ST | EDR Hist Auto | Lower | 546. 0.103. SS |
| B9 | STANDRIDGE ENTERPRIS | 525 CHESTNUT | SWEEPS UST | Lower | 588. 0.111. NV |
| B10 | STANDRIDGE ENTERPRIS | 525 CHESTNUT | HIST UST | Lower | 588. 0.111. NV |
| B11 | DRS MARINE | 525 CHESTNUT ST | UST | Lower | 588. 0.111. NV |
| C12 | VALLEJO BLDG MATERIA | 909 SONOMA BLVD | CA FID UST. WDS | Lower | 933. 0.177. NN |
| C13 | VALLEJO BUILDING MAT | 909 SONOMA BLVD | HIST UST | Lower | 933. 0.177. NN |
| C14 | VALLEJO BUILDING MAT | 909 SONOMA BLVD | UST. SWEEPS UST | Lower | 933. 0.177. NN |
| [illegible] | PRODUCE WAREHOUSE FO | 206-212 LEMON ST | UST | Lower | 1005. 0.190. S |
| [illegible] | PRODUCE WAREHOUSE BU | 206 LEMON | LUST | Lower | 1005. 0.190. S |
| E17 | VALLEJO FIRE STA II | 700 FIFT ST | HIST UST | Lower | 1139. 0.216. E |
| E18 | FIRE STATION #2 / AK | 700 FIFTH ST | UST | Lower | 1139. 0.216. E |
| E19 | VALLEJO FIRE STA #II | 700 5TH ST | SWEEPS UST. CA FID UST | Lower | 1147. 0.217. E |
| F20 | STRANGE AND CHALMERS | 924 LEMON DR | SLIC | Lower | 1174. 0.222. E |
| F21 | MURGA. STRANGE & CHA | 924 LEMON ST | AST | Lower | 1174. 0.222. E |
| F22 | STRANGE +CHALMERS. I | 924 LEMON ST | SWEEPS UST. CA FID UST | Lower | 1174. 0.222. E |
| F23 | STRANGE AND CHALMERS | 924 LEMON ST | UST | Lower | 1174. 0.222. E |
| G24 | LOOMIS ARMORED INC | 225 BENNETT ST | LUST | Lower | 1266. 0.240. N |
| G25 | EXPEDITION IMPORTS | 225 BENNETT ST # A | UST | Lower | 1266. 0.240. N |
| G26 | LOOMIS ARMORED CAR S | 225 BENNETT ST | SWEEPS UST. HIST UST. CA FID UST | Lower | 1266. 0.240. N |
| G27 | EXPEDITION IMPORTS | 225 BENNETT ST # A | LUST. HIST UST. HIST CORTESE | Lower | 1266. 0.240. N |
| 28 | BILLY MAHER | 1301 LEMON ST | SWEEPS UST. CA FID UST | Lower | 1288. 0.244. E |
| H29 | CORDEIRO VAULT COMPA | 281 5TH | LUST. HIST CORTESE. WDS | Lower | 1628. 0.308. N |
| H30 | CORDEIRO VAULT CO | 281 FIFTH ST | LUST. UST | Lower | 1628. 0.308. N |
| I31 | WORLD OF TOPS | 1328 LEMON ST | LUST. HIST CORTESE | Lower | 1631. 0.309. E |
| I32 | WORLD OF TOPS | 1328 LEMON ST # B | LUST | Lower | 1631. 0.309. E |
| I33 | R & R MAHER CONSTRUC | 1324 LEMON ST | LUST. HIST CORTESE | Lower | 1704. 0.323. E |
| H34 | COPART INC | 282 FIFTH ST | LUST. UST | Lower | 1785. 0.338. N |
| H35 | COPARTS INC | 282 5TH | LUST. HAZNET. HIST CORTESE | Lower | 1785. 0.338. N |
| [illegible] | UNOCAL | 1341 LEMON ST | LUST | Lower | 1839. 0.348. E |
| I37 | UNOCAL | 1341 LEMON ST | LUST. HIST UST | Lower | 1839. 0.348. E |
| J38 | VSFCD MAIN TREATMENT | 450 RYDER ST | LUST. AST. HIST CORTESE. NPDES | Lower | 1899. 0.360. V |

## MAPPED SITES SUMMARY

Target Property Address:
759 SONOMA BOULEVARD
VALLEJO, CA 94590

Click on Map ID to see full detail.

| MAP ID | SITE NAME | ADDRESS | DATABASE ACRONYMS | RELATIVE ELEVATION | DIST (ft. & m DIRECTION |
|---|---|---|---|---|---|
| J39 | VALLEJO WWTP | 450 RYDER STREET | RCRA-SQG. LUST. SWEEPS UST. HIST UST. CA FID UST.... | Lower | 1899. 0.360. V |
| K40 | WILERS/BENICIA TOW I | 1361 LEMON ST # A | LUST | Lower | 1923. 0.364. E |
| J41 | TIMET-NORTH AMERICAN | 403 RYDER STREET | LUST. EMI. NPDES. WDS | Lower | 1936. 0.367. V |
| K42 | B & B STORAGE | 101 UNION ST | LUST | Lower | 1957. 0.371. E |
| K43 | GOODMAN LUMBER CO. | 445 BAY SHORE BLVD | LUST. SWEEPS UST. HIST UST. HIST CORTESE | Lower | 1979. 0.375. E |
| K44 | ALHAMBRA NATIONAL WA | 110 UNION | LUST | Lower | 1979. 0.375. E |
| K45 | ALHAMBRA DISTRIBUTIO | 110 UNION ST | LUST | Lower | 1979. 0.375. E |
| 46 | B & B ENTERPRISES | 101 UNION AVE | LUST | Lower | 2020. 0.383. E |
| 47 | VSFCD RETENTION BASI | 401 RYDER ST | LUST. HIST UST. DRYCLEANERS. HIST CORTESE | Lower | 2037. 0.386. V |
| L48 | ELLIS ELECTRIC | 1400 LEMON ST | LUST | Lower | 2222. 0.421. N |
| L49 | SIRI PROPERTY | 1396-1404 LEMON ST | LUST. SWEEPS UST. HIST UST. HIST CORTESE | Lower | 2222. 0.421. N |
| M50 | GENERAL MILLS INC | 800 DERR AVENUE | LUST. SWEEPS UST. HIST UST. CA FID UST. DEED. EMI.... | Lower | 2463. 0.466. S |
| N51 | MORGAN ALARM | 1487 LEMON ST | LUST | Lower | 2480. 0.470. E |
| N52 | MORGAN ALARM CO. | 1487 LEMON ST | LUST. SWEEPS UST. CA FID UST | Lower | 2480. 0.470. E |
| M53 | GENERAL MILLS OPERAT | 800 DERR AVE | LUST | Lower | 2509. 0.475. S |
| O54 | VALCORE INC | 38 SHERIDAN ST | SWRCY. NPDES. WDS | Lower | 2552. 0.483. N |
| | JACK KNIGHT AUTOMOTI | 1081A SONOMA BLVD | HIST CORTESE | Lower | 2606. 0.494. N |
| P56 | BOB'S MOBIL REPAIR | 1081 SONOMA BLVD # A | LUST | Lower | 2606. 0.494. N |
| P57 | JACK KNIGHT AUTOMOTI | 1081A SONOMA BLVD | LUST | Lower | 2606. 0.494. N |
| O58 | STEINY AND COMPANY I | 27 SHERIDAN ST | LUST. UST. HIST CORTESE | Lower | 2609. 0.494. N |
| O59 | STEINY AND COMPANY. | 27 SHERIDAN ST | LUST. SWEEPS UST. CA FID UST | Lower | 2609. 0.494. N |
| 60 | VALLEJO 17.2 ACRE SI | 50 SOLANO AVENUE;113 | ENVIROSTOR | Lower | 2861. 0.542. N |
| 61 | SCHOOL GARAGE | 809 MAINE STREET | Notify 65 | Lower | 3710. 0.703. N |
| 62 | PG&E VALLEJO MGP 23 | SW CORNER OF CURTOLA | ENVIROSTOR. VCP | Lower | 4278. 0.810. N |
| 63 | PG AND E GAS PLANT V | S SIDE MD BET SONOMA | EDR MGP | Lower | 4731. 0.896. N |

# EXECUTIVE SUMMARY

## TARGET PROPERTY SEARCH RESULTS

The target property was not listed in any of the databases searched by EDR.

## DATABASES WITH NO MAPPED SITES

No mapped sites were found in EDR's search of available ("reasonably ascertainable ") government records either on the target property or within the search radius around the target property for the following databases:

## STANDARD ENVIRONMENTAL RECORDS

***Federal NPL site list***

NPL..... National Priority List
Proposed NPL..... Proposed National Priority List Sites
NPL LIENS..... Federal Superfund Liens

***Federal Delisted NPL site list***

Delisted NPL..... National Priority List Deletions

***Federal CERCLIS list***

FEDERAL FACILITY..... Federal Facility Site Information listing
SEMS..... Superfund Enterprise Management System

***Federal CERCLIS NFRAP site list***

SEMS-ARCHIVE..... Superfund Enterprise Management System Archive

***Federal RCRA CORRACTS facilities list***

CORRACTS..... Corrective Action Report

***Federal RCRA non-CORRACTS TSD facilities list***

RCRA-TSDF..... RCRA - Treatment. Storage and Disposal

***Federal RCRA generators list***

RCRA-LQG..... RCRA - Large Quantity Generators
RCRA-SQG..... RCRA - Small Quantity Generators
RCRA-CESQG..... RCRA - Conditionally Exempt Small Quantity Generator

***Federal institutional controls / engineering controls registries***

LUCIS..... Land Use Control Information System
US ENG CONTROLS..... Engineering Controls Sites List

# EXECUTIVE SUMMARY

US INST CONTROL..... Sites with Institutional Controls

***Federal ERNS list***

ERNS..... Emergency Response Notification System

***State- and tribal - equivalent NPL***

RESPONSE..... State Response Sites

***State and tribal landfill and/or solid waste disposal site lists***

SWF/LF..... Solid Waste Information System

***State and tribal leaking storage tank lists***

INDIAN LUST..... Leaking Underground Storage Tanks on Indian Land

***State and tribal registered storage tank lists***

FEMA UST..... Underground Storage Tank Listing
INDIAN UST..... Underground Storage Tanks on Indian Land

***State and tribal voluntary cleanup sites***

INDIAN VCP..... Voluntary Cleanup Priority Listing
VCP..... Voluntary Cleanup Program Properties

***State and tribal Brownfields sites***

BROWNFIELDS..... Considered Brownfieds Sites Listing

**ADDITIONAL ENVIRONMENTAL RECORDS**

***Local Brownfield lists***

US BROWNFIELDS..... A Listing of Brownfields Sites

***Local Lists of Landfill / Solid Waste Disposal Sites***

WMUDS/SWAT..... Waste Management Unit Database
HAULERS..... Registered Waste Tire Haulers Listing
INDIAN ODI..... Report on the Status of Open Dumps on Indian Lands
DEBRIS REGION 9..... Torres Martinez Reservation Illegal Dump Site Locations
ODI..... Open Dump Inventory
IHS OPEN DUMPS..... Open Dumps on Indian Land

***Local Lists of Hazardous waste / Contaminated Sites***

US HIST CDL..... Delisted National Clandestine Laboratory Register
HIST Cal-Sites..... Historical Calsites Database
SCH..... School Property Evaluation Program
CDL..... Clandestine Drug Labs
Toxic Pits..... Toxic Pits Cleanup Act Sites

# EXECUTIVE SUMMARY

US CDL..... National Clandestine Laboratory Register

***Local Land Records***

LIENS..... Environmental Liens Listing
LIENS 2..... CERCLA Lien Information

***Records of Emergency Release Reports***

HMIRS..... Hazardous Materials Information Reporting System
CHMIRS..... California Hazardous Material Incident Report System
LDS..... Land Disposal Sites Listing
MCS..... Military Cleanup Sites Listing
SPILLS 90..... SPILLS 90 data from FirstSearch

***Other Ascertainable Records***

RCRA NonGen / NLR..... RCRA - Non Generators / No Longer Regulated
FUDS..... Formerly Used Defense Sites
SCRD DRYCLEANERS..... State Coalition for Remediation of Drycleaners Listing
US FIN ASSUR..... Financial Assurance Information
EPA WATCH LIST..... EPA WATCH LIST
2020 COR ACTION..... 2020 Corrective Action Program List
TSCA..... Toxic Substances Control Act
TRIS..... Toxic Chemical Release Inventory System
SSTS..... Section 7 Tracking Systems
ROD..... Records Of Decision
RMP..... Risk Management Plans
RAATS..... RCRA Administrative Action Tracking System
PRP..... Potentially Responsible Parties
PADS..... PCB Activity Database System
ICIS..... Integrated Compliance Information System
FTTS..... FIFRA/ TSCA Tracking System - FIFRA (Federal Insecticide. Fungicide. & Rodenticide Act)/TSCA (Toxic Substances Control Act)
MLTS..... Material Licensing Tracking System
COAL ASH DOE..... Steam-Electric Plant Operation Data
COAL ASH EPA..... Coal Combustion Residues Surface Impoundments List
PCB TRANSFORMER..... PCB Transformer Registration Database
RADINFO..... Radiation Information Database
HIST FTTS..... FIFRA/TSCA Tracking System Administrative Case Listing
DOT OPS..... Incident and Accident Data
CONSENT..... Superfund (CERCLA) Consent Decrees
INDIAN RESERV..... Indian Reservations
FUSRAP..... Formerly Utilized Sites Remedial Action Program
UMTRA..... Uranium Mill Tailings Sites
LEAD SMELTERS..... Lead Smelter Sites
US AIRS..... Aerometric Information Retrieval System Facility Subsystem
US MINES..... Mines Master Index File
FINDS..... Facility Index System/Facility Registry System
DOCKET HWC..... Hazardous Waste Compliance Docket Listing
UXO..... Unexploded Ordnance Sites
CA BOND EXP. PLAN..... Bond Expenditure Plan
Cortese..... "Cortese" Hazardous Waste & Substances Sites List
CUPA Listings..... CUPA Resources List
DRYCLEANERS..... Cleaner Facilities

# EXECUTIVE SUMMARY

EMI..... Emissions Inventory Data
ENF..... Enforcement Action Listing
Financial Assurance..... Financial Assurance Information Listing
HAZNET..... Facility and Manifest Data
ICE..... ICE
HWP..... EnviroStor Permitted Facilities Listing
HWT..... Registered Hazardous Waste Transporter Database
MINES..... Mines Site Location Listing
MWMP..... Medical Waste Management Program Listing
NPDES..... NPDES Permits Listing
PEST LIC..... Pesticide Regulation Licenses Listing
PROC..... Certified Processors Database
UIC..... UIC Listing
WASTEWATER PITS..... Oil Wastewater Pits Listing
WDS..... Waste Discharge System
WIP..... Well Investigation Program Case List
FUELS PROGRAM..... EPA Fuels Program Registered Listing
ABANDONED MINES..... Abandoned Mines
ECHO..... Enforcement & Compliance History Information

**EDR HIGH RISK HISTORICAL RECORDS**

***EDR Exclusive Records***

EDR Hist Cleaner..... EDR Exclusive Historic Dry Cleaners

**EDR RECOVERED GOVERNMENT ARCHIVES**

***Exclusive Recovered Govt. Archives***

RGA LF..... Recovered Government Archive Solid Waste Facilities List
RGA LUST..... Recovered Government Archive Leaking Underground Storage Tank

**SURROUNDING SITES: SEARCH RESULTS**

Surrounding sites were identified in the following databases.

Elevations have been determined from the USGS Digital Elevation Model and should be evaluated on a relative (not an absolute) basis. Relative elevation information between sites of close proximity should be field verified. Sites with an elevation equal to or higher than the target property have been differentiated below from sites with an elevation lower than the target property.
Page numbers and map identification numbers refer to the EDR Radius Map report where detailed data on individual sites can be reviewed.

Sites listed in ***bold italics*** are in multiple databases.

Unmappable (orphan) sites are not considered in the foregoing analysis.

**STANDARD ENVIRONMENTAL RECORDS**

***State- and tribal - equivalent CERCLIS***

# EXECUTIVE SUMMARY

ENVIROSTOR: The Department of Toxic Substances Control's (DTSC's) Site Mitigation and Brownfields Reuse Program's (SMBRP's) EnviroStor database identifes sites that have known contamination or sites for which there may be reasons to investigate further. The database includes the following site types: Federal Superfund sites (National Priorities List (NPL)); State Response. including Military Facilities and State Superfund; Voluntary Cleanup; and School sites. EnviroStor provides similar information to the information that was available in CalSites. and provides additional site information. including. but not limited to. identification of formerly-contaminated properties that have been released for reuse. properties where environmental deed restrictions have been recorded to prevent inappropriate land uses. and risk characterization information that is used to assess potential impacts to public health and the environment at contaminated sites.

A review of the ENVIROSTOR list. as provided by EDR. and dated 10/31/2016 has revealed that there are 3 ENVIROSTOR sites within approximately 1 mile of the target property.

| Lower Elevation | Address | Direction / Distance | Map ID | Page |
|---|---|---|---|---|
| SPRR DEPOT<br>Facility Id: 70000100<br>Status: No Action Required | LEMON STREET AT DERR | SSE 0 - 1/8 (0.059 mi.) | A2 | 8 |
| VALLEJO 17.2 ACRE SI<br>Facility Id: 60001174<br>Status: No Further Action | 50 SOLANO AVENUE 113 | NW 1/2 - 1 (0.542 mi.) | 60 | 132 |
| ***PG&E VALLEJO MGP 23***<br>Facility Id: 60001753<br>Status: Active | ***SW CORNER OF CURTOLA*** | ***NW 1/2 - 1 (0.810 mi.)*** | ***62*** | ***134*** |

***State and tribal leaking storage tank lists***

LUST: Leaking Underground Storage Tank (LUST) Sites included in GeoTracker. GeoTracker is the Water Boards data management system for sites that impact. or have the potential to impact. water quality in California. with emphasis on groundwater.

A review of the LUST list. as provided by EDR. has revealed that there are 33 LUST sites within approximately 0.5 miles of the target property.

| Lower Elevation | Address | Direction / Distance | Map ID | Page |
|---|---|---|---|---|
| ***BBK 7 UP BUILDING***<br>Database: SOLANO CO. LUST. Date of Government Version: 11/29/2016<br>Database: LUST REG 2. Date of Government Version: 09/30/2004<br>Database: LUST. Date of Government Version: 12/12/2016<br>Facility Id: 10577<br>Global Id: T0609500233<br>Facility Status: I<br>date9: 3/22/1995<br>Status: Completed - Case Closed<br>Facility Id: 48-0252<br>Facility Status: Case Closed | ***425 CHESTNUT ST*** | ***WNW 0 - 1/8 (0.093 mi.)*** | ***B7*** | ***12*** |
| PRODUCE WAREHOUSE BU<br>Database: SOLANO CO. LUST. Date of Government Version: 11/29/2016<br>Database: LUST. Date of Government Version: 12/12/2016<br>Facility Id: 10503<br>Global Id: T10000000322 | 206 LEMON | SW 1/8 - 1/4 (0.190 mi.) | D16 | 19 |

Facility Status: I
Status: Completed - Case Closed

LOOMIS ARMORED INC | 225 BENNETT ST | NNW 1/8 - 1/4 (0.240 mi.) | G24 | 28
Database: LUST REG 2, Date of Government Version: 09/30/2004
date9: 6/4/1996
Facility Id: 48-0101
Facility Status: Case Closed

***EXPEDITION IMPORTS*** | ***225 BENNETT ST # A*** | ***NNW 1/8 - 1/4 (0.240 mi.)*** | ***G27*** | ***31***
Database: SOLANO CO. LUST, Date of Government Version: 11/29/2016
Database: LUST, Date of Government Version: 12/12/2016
Facility Id: 10758
Global Id: T0609500094
Facility Status: I
Status: Completed - Case Closed

***CORDEIRO VAULT COMPA*** | ***281 5TH*** | ***NNW 1/4 - 1/2 (0.308 mi.)*** | ***H29*** | ***33***
Database: LUST REG 2, Date of Government Version: 09/30/2004
Database: LUST, Date of Government Version: 12/12/2016
Global Id: T0609500220
date9: 7/22/1998
Status: Completed - Case Closed
Facility Id: 48-0236
Facility Status: Case Closed

***CORDEIRO VAULT CO*** | ***281 FIFTH ST*** | ***NNW 1/4 - 1/2 (0.308 mi.)*** | ***H30*** | ***36***
Database: SOLANO CO. LUST, Date of Government Version: 11/29/2016
Facility Id: 10253
Facility Status: I

***WORLD OF TOPS*** | ***1328 LEMON ST*** | ***ENE 1/4 - 1/2 (0.309 mi.)*** | ***I31*** | ***37***
Database: LUST REG 2, Date of Government Version: 09/30/2004
Database: LUST, Date of Government Version: 12/12/2016
Global Id: T0609500221
date9: 2/7/1995
Status: Completed - Case Closed
Facility Id: 48-0237
Facility Status: Case Closed

WORLD OF TOPS | 1328 LEMON ST # B | ENE 1/4 - 1/2 (0.309 mi.) | I32 | 38
Database: SOLANO CO. LUST, Date of Government Version: 11/29/2016
Facility Id: 10120
Facility Status: I

***R & R MAHER CONSTRUC*** | ***1324 LEMON ST*** | ***ENE 1/4 - 1/2 (0.323 mi.)*** | ***I33*** | ***39***
Database: SOLANO CO. LUST, Date of Government Version: 11/29/2016
Database: LUST REG 2, Date of Government Version: 09/30/2004
Database: LUST, Date of Government Version: 12/12/2016
Facility Id: 10428
Global Id: T0609500239
Facility Status: I
date9: 2/21/1995
Status: Completed - Case Closed
Facility Id: 48-0259
Facility Status: Case Closed

***COPART INC*** | ***282 FIFTH ST*** | ***NNW 1/4 - 1/2 (0.338 mi.)*** | ***H34*** | ***41***
Database: SOLANO CO. LUST, Date of Government Version: 11/29/2016
Facility Id: 10187

Facility Status: I

***COPARTS INC*** ***282 5TH*** ***NNW 1/4 - 1/2 (0.338 mi.)*** ***H35*** ***41***
Database: LUST REG 2. Date of Government Version: 09/30/2004
Database: LUST. Date of Government Version: 12/12/2016
Global Id: T0609500023
date9: 9/10/1996
Status: Completed - Case Closed
Facility Id: 48-0023
Facility Status: Case Closed

UNOCAL 1341 LEMON ST ENE 1/4 - 1/2 (0.348 mi.) I36 44
Database: LUST REG 2. Date of Government Version: 09/30/2004
date9: 9/27/1999
Facility Id: 48-0178
Facility Status: Case Closed

***UNOCAL*** ***1341 LEMON ST*** ***ENE 1/4 - 1/2 (0.348 mi.)*** ***I37*** ***45***
Database: LUST. Date of Government Version: 12/12/2016
Global Id: T0609592709
Status: Completed - Case Closed

***VSFCD MAIN TREATMENT*** ***450 RYDER ST*** ***WNW 1/4 - 1/2 (0.360 mi.)*** ***J38*** ***47***
Database: SOLANO CO. LUST. Date of Government Version: 11/29/2016
Database: LUST. Date of Government Version: 12/12/2016
Facility Id: 10851
Global Id: T0609500178
Facility Status: I
Status: Completed - Case Closed

***VALLEJO WWTP*** ***450 RYDER STREET*** ***WNW 1/4 - 1/2 (0.360 mi.)*** ***J39*** ***53***
Database: LUST REG 2. Date of Government Version: 09/30/2004
date9: 12/20/2002
Facility Id: 48-0191
Facility Status: Case Closed

WILERS/BENICIA TOW I 1361 LEMON ST # A ENE 1/4 - 1/2 (0.364 mi.) K40 76
Database: SOLANO CO. LUST. Date of Government Version: 11/29/2016
Facility Id: 10670
Facility Status: I

***TIMET-NORTH AMERICAN*** ***403 RYDER STREET*** ***WNW 1/4 - 1/2 (0.367 mi.)*** ***J41*** ***76***
Database: LUST REG 2. Date of Government Version: 09/30/2004
Database: LUST. Date of Government Version: 12/12/2016
Global Id: T0609500084
date9: 3/3/2004
Status: Completed - Case Closed
Facility Id: 48-0091
Facility Status: Case Closed

B & B STORAGE 101 UNION ST ENE 1/4 - 1/2 (0.371 mi.) K42 88
Database: SOLANO CO. LUST. Date of Government Version: 11/29/2016
Facility Id: 10954
Facility Status: I

***GOODMAN LUMBER CO.*** ***445 BAY SHORE BLVD*** ***ENE 1/4 - 1/2 (0.375 mi.)*** ***K43*** ***89***
Database: LUST REG 2. Date of Government Version: 09/30/2004
date9: 9/7/1995
Facility Id: 48-0004
Facility Status: Case Closed

ALHAMBRA NATIONAL WA 110 UNION ENE 1/4 - 1/2 (0.375 mi.) K44 91
Database: SOLANO CO. LUST. Date of Government Version: 11/29/2016

Facility Id: 10765
Facility Status: I

| | | | | |
|---|---|---|---|---|
| ALHAMBRA DISTRIBUTIO | 110 UNION ST | ENE 1/4 - 1/2 (0.375 mi.) | K45 | 91 |

Database: LUST. Date of Government Version: 12/12/2016
Global Id: T0609500005
Status: Completed - Case Closed

| | | | | |
|---|---|---|---|---|
| B & B ENTERPRISES | 101 UNION AVE | ENE 1/4 - 1/2 (0.383 mi.) | 46 | 92 |

Database: LUST. Date of Government Version: 12/12/2016
Global Id: T0609500256
Status: Completed - Case Closed

| | | | | |
|---|---|---|---|---|
| ***VSFCD RETENTION BASI*** | ***401 RYDER ST*** | ***WNW 1/4 - 1/2 (0.386 mi.)*** | ***47*** | ***93*** |

Database: SOLANO CO. LUST. Date of Government Version: 11/29/2016
Facility Id: 10356
Facility Status: I

| | | | | |
|---|---|---|---|---|
| ELLIS ELECTRIC | 1400 LEMON ST | NE 1/4 - 1/2 (0.421 mi.) | L48 | 95 |

Database: LUST REG 2. Date of Government Version: 09/30/2004
date9: 7/2/2001
Facility Id: 48-0064
Facility Status: Case Closed

| | | | | |
|---|---|---|---|---|
| ***SIRI PROPERTY*** | ***1396-1404 LEMON ST*** | ***NE 1/4 - 1/2 (0.421 mi.)*** | ***L49*** | ***96*** |

Database: SOLANO CO. LUST. Date of Government Version: 11/29/2016
Database: LUST. Date of Government Version: 12/12/2016
Facility Id: 10292
Global Id: T0609500061
Facility Status: I
Status: Completed - Case Closed

| | | | | |
|---|---|---|---|---|
| ***GENERAL MILLS INC*** | ***800 DERR AVENUE*** | ***S 1/4 - 1/2 (0.466 mi.)*** | ***M50*** | ***98*** |

Database: LUST REG 2. Date of Government Version: 09/30/2004
date9: 4/24/1996
date9: 8/23/2004
Facility Id: 48-0083
Facility Status: Case Closed

| | | | | |
|---|---|---|---|---|
| MORGAN ALARM | 1487 LEMON ST | ENE 1/4 - 1/2 (0.470 mi.) | N51 | 105 |

Database: SOLANO CO. LUST. Date of Government Version: 11/29/2016
Database: LUST REG 2. Date of Government Version: 09/30/2004
Database: LUST. Date of Government Version: 12/12/2016
Facility Id: 10802
Global Id: T0609591161
Facility Status: I
date9: 7/2/2001
Status: Completed - Case Closed
Facility Id: 48-0366
Facility Status: Case Closed

| | | | | |
|---|---|---|---|---|
| ***MORGAN ALARM CO.*** | ***1487 LEMON ST*** | ***ENE 1/4 - 1/2 (0.470 mi.)*** | ***N52*** | ***107*** |

Database: LUST REG 2. Date of Government Version: 09/30/2004
Database: SAN FRANCISCO CO. LUST. Date of Government Version: 09/19/2008
Facility Status: Case Closed
date9: 4/10/1997
Facility Id: 38-0906
Facility Status: Case Closed
Facility Id: 38-0906

| | | | | |
|---|---|---|---|---|
| GENERAL MILLS OPERAT | 800 DERR AVE | S 1/4 - 1/2 (0.475 mi.) | M53 | 109 |

Database: SOLANO CO. LUST. Date of Government Version: 11/29/2016
Database: LUST. Date of Government Version: 12/12/2016

Facility Id: 10316
Facility Id: 102042
Global Id: T0609500077
Global Id: T0609535283
Global Id: T0609557699
Global Id: T0609577606
Facility Status: I
Facility Status: A
Status: Completed - Case Closed

| | | | | |
|---|---|---|---|---|
| BOB'S MOBIL REPAIR | 1081 SONOMA BLVD # A | NW 1/4 - 1/2 (0.494 mi.) | P56 | 127 |

Database: SOLANO CO. LUST. Date of Government Version: 11/29/2016
Facility Id: 10377
Facility Status: I

| | | | | |
|---|---|---|---|---|
| JACK KNIGHT AUTOMOTI | 1081A SONOMA BLVD | NW 1/4 - 1/2 (0.494 mi.) | P57 | 127 |

Database: LUST REG 2. Date of Government Version: 09/30/2004
Database: LUST. Date of Government Version: 12/12/2016
Global Id: T0609500087
date9: 5/14/1997
Status: Completed - Case Closed
Facility Id: 48-0094
Facility Status: Case Closed

| | | | | |
|---|---|---|---|---|
| ***STEINY AND COMPANY I*** | ***27 SHERIDAN ST*** | ***NNW 1/4 - 1/2 (0.494 mi.)*** | ***O58*** | ***129*** |

Database: SOLANO CO. LUST. Date of Government Version: 11/29/2016
Database: LUST. Date of Government Version: 12/12/2016
Facility Id: 10621
Global Id: T0609500252
Facility Status: I
Status: Completed - Case Closed

| | | | | |
|---|---|---|---|---|
| ***STEINY AND COMPANY,*** | ***27 SHERIDAN ST*** | ***NNW 1/4 - 1/2 (0.494 mi.)*** | ***O59*** | ***131*** |

Database: LUST REG 2. Date of Government Version: 09/30/2004
date9: 11/19/1998
Facility Id: 48-0274
Facility Status: Case Closed

SLIC: Cleanup Program Sites (CPS; also known as Site Cleanups [SC] and formerly known as Spills. Leaks. Investigations. and Cleanups [SLIC] sites) included in GeoTracker. GeoTracker is the Water Boards data management system for sites that impact. or have the potential to impact. water quality in California. with emphasis on groundwater.

A review of the SLIC list. as provided by EDR. has revealed that there is 1 SLIC site within approximately 0.5 miles of the target property.

| Lower Elevation | Address | Direction / Distance | Map ID | Page |
|---|---|---|---|---|
| STRANGE AND CHALMERS | 924 LEMON DR | ENE 1/8 - 1/4 (0.222 mi.) | F20 | 26 |

Database: SLIC. Date of Government Version: 12/12/2016
Database: SLIC REG 2. Date of Government Version: 09/30/2004
Facility Status: Completed - Case Closed
Facility Id: 48S0012
Global Id: SLT2O355245

# EXECUTIVE SUMMARY

***State and tribal registered storage tank lists***

UST: The Underground Storage Tank database contains registered USTs. USTs are regulated under Subtitle I of the Resource Conservation and Recovery Act (RCRA). The data come from the State Water Resources Control Board's Hazardous Substance Storage Container Database.

A review of the UST list, as provided by EDR, has revealed that there are 6 UST sites within approximately 0.25 miles of the target property.

| Lower Elevation | Address | Direction / Distance | Map ID | Page |
|---|---|---|---|---|
| DRS MARINE<br>Database: SOLANO CO. UST. Date of Government Version: 11/29/2016<br>Facility Id: 10616<br>Facility Status: I | 525 CHESTNUT ST | NW 0 - 1/8 (0.111 mi.) | B11 | 16 |
| ***VALLEJO BUILDING MAT***<br>Database: SOLANO CO. UST. Date of Government Version: 11/29/2016<br>Facility Id: 10557<br>Facility Status: I | ***909 SONOMA BLVD*** | ***NNW 1/8 - 1/4 (0.177 mi.)*** | ***C14*** | ***18*** |
| PRODUCE WAREHOUSE FO<br>Database: SOLANO CO. UST. Date of Government Version: 11/29/2016<br>Facility Id: 10503<br>Facility Status: I | 206-212 LEMON ST | SW 1/8 - 1/4 (0.190 mi.) | D15 | 19 |
| FIRE STATION #2 / AK<br>Database: SOLANO CO. UST. Date of Government Version: 11/29/2016<br>Facility Id: 10839<br>Facility Status: I | 700 FIFTH ST | ESE 1/8 - 1/4 (0.216 mi.) | E18 | 24 |
| STRANGE AND CHALMERS<br>Database: UST. Date of Government Version: 09/12/2016<br>Database: SOLANO CO. UST. Date of Government Version: 11/29/2016<br>Facility Id: 10623<br>Facility Status: I<br>Facility Id: 10623 | 924 LEMON ST | ENE 1/8 - 1/4 (0.222 mi.) | F23 | 28 |
| EXPEDITION IMPORTS<br>Database: SOLANO CO. UST. Date of Government Version: 11/29/2016<br>Facility Id: 10758<br>Facility Status: I | 225 BENNETT ST # A | NNW 1/8 - 1/4 (0.240 mi.) | G25 | 29 |

AST: A listing of aboveground storage tank petroleum storage tank locations.

A review of the AST list, as provided by EDR, and dated 07/06/2016 has revealed that there is 1 AST site within approximately 0.25 miles of the target property.

| Lower Elevation | Address | Direction / Distance | Map ID | Page |
|---|---|---|---|---|
| MURGA. STRANGE & CHA | 924 LEMON ST | ENE 1/8 - 1/4 (0.222 mi.) | F21 | 26 |

# EXECUTIVE SUMMARY

## ADDITIONAL ENVIRONMENTAL RECORDS

### *Local Lists of Landfill / Solid Waste Disposal Sites*

SWRCY: A listing of recycling facilities in California.

A review of the SWRCY list. as provided by EDR. and dated 09/12/2016 has revealed that there is 1 SWRCY site within approximately 0.5 miles of the target property.

| Lower Elevation | Address | Direction / Distance | Map ID | Page |
|---|---|---|---|---|
| ***VALCORE INC***<br>Cert Id: RC2525 | ***38 SHERIDAN ST*** | ***NNW 1/4 - 1/2 (0.483 mi.)*** | ***O54*** | ***123*** |

### *Local Lists of Registered Storage Tanks*

SWEEPS UST: Statewide Environmental Evaluation and Planning System. This underground storage tank listing was updated and maintained by a company contacted by the SWRCB in the early 1990's. The listing is no longer updated or maintained. The local agency is the contact for more information on a site on the SWEEPS list.

A review of the SWEEPS UST list. as provided by EDR. and dated 06/01/1994 has revealed that there are 7 SWEEPS UST sites within approximately 0.25 miles of the target property.

| Lower Elevation | Address | Direction / Distance | Map ID | Page |
|---|---|---|---|---|
| ***7-UP BOTTLING CO. OF***<br>Comp Number: 14101 | ***425 CHESTNUT ST*** | ***WNW 0 - 1/8 (0.093 mi.)*** | ***B5*** | ***10*** |
| STANDRIDGE ENTERPRIS<br>Status: A<br>Tank Status: A<br>Comp Number: 4520 | 525 CHESTNUT | NW 0 - 1/8 (0.111 mi.) | B9 | 15 |
| ***VALLEJO BUILDING MAT***<br>Comp Number: 14314 | ***909 SONOMA BLVD*** | ***NNW 1/8 - 1/4 (0.177 mi.)*** | ***C14*** | ***18*** |
| ***VALLEJO FIRE STA #II***<br>Status: A<br>Tank Status: A<br>Comp Number: 37700 | ***700 5TH ST*** | ***ESE 1/8 - 1/4 (0.217 mi.)*** | ***E19*** | ***25*** |
| ***STRANGE +CHALMERS, I***<br>Status: A<br>Tank Status: A<br>Comp Number: 12122 | ***924 LEMON ST*** | ***ENE 1/8 - 1/4 (0.222 mi.)*** | ***F22*** | ***27*** |
| ***LOOMIS ARMORED CAR S***<br>Comp Number: 56539 | ***225 BENNETT ST*** | ***NNW 1/8 - 1/4 (0.240 mi.)*** | ***G26*** | ***29*** |
| ***BILLY MAHER***<br>Comp Number: 12123 | ***1301 LEMON ST*** | ***ENE 1/8 - 1/4 (0.244 mi.)*** | ***28*** | ***33*** |

# EXECUTIVE SUMMARY

HIST UST: Historical UST Registered Database.

A review of the HIST UST list. as provided by EDR. and dated 10/15/1990 has revealed that there are 7 HIST UST sites within approximately 0.25 miles of the target property.

| Lower Elevation | Address | Direction / Distance | Map ID | Page |
|---|---|---|---|---|
| ***7-UP BOTTLING CO. OF*** | ***425 CHESTNUT ST*** | ***WNW 0 - 1/8 (0.093 mi.)*** | ***B5*** | ***10*** |
| SEVEN UP BOTTLING CO<br>Facility Id: 00000014101 | 425 CHESTNUT ST | WNW 0 - 1/8 (0.093 mi.) | B6 | 11 |
| STANDRIDGE ENTERPRIS<br>Facility Id: 00000004520 | 525 CHESTNUT | NW 0 - 1/8 (0.111 mi.) | B10 | 15 |
| VALLEJO BUILDING MAT<br>Facility Id: 00000014314 | 909 SONOMA BLVD | NNW 1/8 - 1/4 (0.177 mi.) | C13 | 18 |
| VALLEJO FIRE STA II<br>Facility Id: 00000037700 | 700 FIFT ST | ESE 1/8 - 1/4 (0.216 mi.) | E17 | 23 |
| ***LOOMIS ARMORED CAR S*** | ***225 BENNETT ST*** | ***NNW 1/8 - 1/4 (0.240 mi.)*** | ***G26*** | ***29*** |
| ***EXPEDITION IMPORTS***<br>Facility Id: 00000056539 | ***225 BENNETT ST # A*** | ***NNW 1/8 - 1/4 (0.240 mi.)*** | ***G27*** | ***31*** |

CA FID UST: The Facility Inventory Database contains active and inactive underground storage tank locations. The source is the State Water Resource Control Board.

A review of the CA FID UST list. as provided by EDR. and dated 10/31/1994 has revealed that there are 6 CA FID UST sites within approximately 0.25 miles of the target property.

| Lower Elevation | Address | Direction / Distance | Map ID | Page |
|---|---|---|---|---|
| ***7-UP BOTTLING CO. OF***<br>Facility Id: 48000595<br>Status: I | ***425 CHESTNUT ST*** | ***WNW 0 - 1/8 (0.093 mi.)*** | ***B5*** | ***10*** |
| ***VALLEJO BLDG MATERIA***<br>Facility Id: 48002183<br>Status: I | ***909 SONOMA BLVD*** | ***NNW 1/8 - 1/4 (0.177 mi.)*** | ***C12*** | ***16*** |
| ***VALLEJO FIRE STA #II***<br>Facility Id: 48002431<br>Status: A | ***700 5TH ST*** | ***ESE 1/8 - 1/4 (0.217 mi.)*** | ***E19*** | ***25*** |
| ***STRANGE +CHALMERS, I***<br>Facility Id: 48002411<br>Status: A | ***924 LEMON ST*** | ***ENE 1/8 - 1/4 (0.222 mi.)*** | ***F22*** | ***27*** |
| ***LOOMIS ARMORED CAR S***<br>Facility Id: 48000120<br>Status: I | ***225 BENNETT ST*** | ***NNW 1/8 - 1/4 (0.240 mi.)*** | ***G26*** | ***29*** |
| ***BILLY MAHER***<br>Facility Id: 48002180<br>Status: I | ***1301 LEMON ST*** | ***ENE 1/8 - 1/4 (0.244 mi.)*** | ***28*** | ***33*** |

# EXECUTIVE SUMMARY

### *Local Land Records*

DEED: The use of recorded land use restrictions is one of the methods the DTSC uses to protect the public from unsafe exposures to hazardous substances and wastes .

A review of the DEED list. as provided by EDR. and dated 12/06/2016 has revealed that there is 1 DEED site within approximately 0.5 miles of the target property.

| Lower Elevation | Address | Direction / Distance | Map ID | Page |
|---|---|---|---|---|
| ***GENERAL MILLS INC***<br>Status: COMPLETED - CASE CLOSED<br>Envirostor ID: T0609535283 | ***800 DERR AVENUE*** | ***S 1/4 - 1/2 (0.466 mi.)*** | ***M50*** | ***98*** |

### *Other Ascertainable Records*

DOD: Consists of federally owned or administered lands. administered by the Department of Defense. that have any area equal to or greater than 640 acres of the United States. Puerto Rico. and the U.S. Virgin Islands.

A review of the DOD list. as provided by EDR. and dated 12/31/2005 has revealed that there is 1 DOD site within approximately 1 mile of the target property.

| Equal/Higher Elevation | Address | Direction / Distance | Map ID | Page |
|---|---|---|---|---|
| MARE ISLAND NAVAL ST | | WSW 1/2 - 1 (0.732 mi.) | 0 | 8 |

HIST CORTESE: The sites for the list are designated by the State Water Resource Control Board [LUST]. the Integrated Waste Board [SWF/LS]. and the Department of Toxic Substances Control [CALSITES]. This listing is no longer updated by the state agency.

A review of the HIST CORTESE list. as provided by EDR. and dated 04/01/2001 has revealed that there are 13 HIST CORTESE sites within approximately 0.5 miles of the target property.

| Lower Elevation | Address | Direction / Distance | Map ID | Page |
|---|---|---|---|---|
| ***BBK 7 UP BUILDING***<br>Reg Id: 48-0252 | ***425 CHESTNUT ST*** | ***WNW 0 - 1/8 (0.093 mi.)*** | ***B7*** | ***12*** |
| ***EXPEDITION IMPORTS***<br>Reg Id: 48-0101 | ***225 BENNETT ST # A*** | ***NNW 1/8 - 1/4 (0.240 mi.)*** | ***G27*** | ***31*** |
| ***CORDEIRO VAULT COMPA***<br>Reg Id: 48-0236 | ***281 5TH*** | ***NNW 1/4 - 1/2 (0.308 mi.)*** | ***H29*** | ***33*** |
| ***WORLD OF TOPS***<br>Reg Id: 48-0237 | ***1328 LEMON ST*** | ***ENE 1/4 - 1/2 (0.309 mi.)*** | ***I31*** | ***37*** |
| ***R & R MAHER CONSTRUC***<br>Reg Id: 48-0259 | ***1324 LEMON ST*** | ***ENE 1/4 - 1/2 (0.323 mi.)*** | ***I33*** | ***39*** |
| ***COPARTS INC***<br>Reg Id: 48-0023 | ***282 5TH*** | ***NNW 1/4 - 1/2 (0.338 mi.)*** | ***H35*** | ***41*** |
| ***VSFCD MAIN TREATMENT***<br>Reg Id: 48-0191 | ***450 RYDER ST*** | ***WNW 1/4 - 1/2 (0.360 mi.)*** | ***J38*** | ***47*** |
| ***GOODMAN LUMBER CO.*** | ***445 BAY SHORE BLVD*** | ***ENE 1/4 - 1/2 (0.375 mi.)*** | ***K43*** | ***89*** |

| | | | | |
|---|---|---|---|---|
| Reg Id: 48-0004 | | | | |
| ***VSFCD RETENTION BASI*** Reg Id: 48-0091 | ***401 RYDER ST*** | ***WNW 1/4 - 1/2 (0.386 mi.)*** | ***47*** | ***93*** |
| ***SIRI PROPERTY*** Reg Id: 48-0064 | ***1396-1404 LEMON ST*** | ***NE 1/4 - 1/2 (0.421 mi.)*** | ***L49*** | ***96*** |
| ***GENERAL MILLS INC*** Reg Id: 48-0083 | ***800 DERR AVENUE*** | ***S 1/4 - 1/2 (0.466 mi.)*** | ***M50*** | ***98*** |
| JACK KNIGHT AUTOMOTI Reg Id: 48-0094 | 1081A SONOMA BLVD | NW 1/4 - 1/2 (0.494 mi.) | P55 | 127 |
| ***STEINY AND COMPANY I*** Reg Id: 48-0274 | ***27 SHERIDAN ST*** | ***NNW 1/4 - 1/2 (0.494 mi.)*** | ***O58*** | ***129*** |

Notify 65: Listings of all Proposition 65 incidents reported to counties by the State Water Resources Control Board and the Regional Water Quality Control Board. This database is no longer updated by the reporting agency.

A review of the Notify 65 list. as provided by EDR. and dated 09/19/2016 has revealed that there are 2 Notify 65 sites within approximately 1 mile of the target property.

| Lower Elevation | Address | Direction / Distance | Map ID | Page |
|---|---|---|---|---|
| ***GENERAL MILLS INC*** | ***800 DERR AVENUE*** | ***S 1/4 - 1/2 (0.466 mi.)*** | ***M50*** | ***98*** |
| SCHOOL GARAGE | 809 MAINE STREET | NNW 1/2 - 1 (0.703 mi.) | 61 | 134 |

**EDR HIGH RISK HISTORICAL RECORDS**

***EDR Exclusive Records***

EDR MGP: The EDR Proprietary Manufactured Gas Plant Database includes records of coal gas plants (manufactured gas plants) compiled by EDR's researchers. Manufactured gas sites were used in the United States from the 1800's to 1950's to produce a gas that could be distributed and used as fuel. These plants used whale oil. rosin. coal. or a mixture of coal. oil. and water that also produced a significant amount of waste. Many of the byproducts of the gas production. such as coal tar (oily waste containing volatile and non-volatile chemicals). sludges. oils and other compounds are potentially hazardous to human health and the environment. The byproduct from this process was frequently disposed of directly at the plant site and can remain or spread slowly. serving as a continuous source of soil and groundwater contamination.

A review of the EDR MGP list. as provided by EDR. has revealed that there is 1 EDR MGP site within approximately 1 mile of the target property.

| Lower Elevation | Address | Direction / Distance | Map ID | Page |
|---|---|---|---|---|
| PG AND E GAS PLANT V | S SIDE MD BET SONOMA | NW 1/2 - 1 (0.896 mi.) | 63 | 149 |

# EXECUTIVE SUMMARY

EDR Hist Auto: EDR has searched selected national collections of business directories and has collected listings of potential gas station/filling station/service station sites that were available to EDR researchers. EDR's review was limited to those categories of sources that might. in EDR's opinion. include gas station/filling station/service station establishments. The categories reviewed included. but were not limited to gas. gas station. gasoline station. filling station. auto. automobile repair. auto service station. service station. etc. This database falls within a category of information EDR classifies as "High Risk Historical Records". or HRHR. EDR's HRHR effort presents unique and sometimes proprietary data about past sites and operations that typically create environmental concerns. but may not show up in current government records searches.

A review of the EDR Hist Auto list. as provided by EDR. has revealed that there are 4 EDR Hist Auto sites within approximately 0.125 miles of the target property.

| Lower Elevation | Address | Direction / Distance | Map ID | Page |
|---|---|---|---|---|
| Not reported | 457 GRANT ST | N 0 - 1/8 (0.056 mi.) | 1 | 8 |
| Not reported | 417 LEMON ST | S 0 - 1/8 (0.080 mi.) | A3 | 9 |
| Not reported | 407 LEMON ST | S 0 - 1/8 (0.089 mi.) | A4 | 9 |
| Not reported | 322 LEMON ST | SSW 0 - 1/8 (0.103 mi.) | 8 | 14 |

# EXECUTIVE SUMMARY

Due to poor or inadequate address information. the following sites were not mapped. Count: 3 records.

| Site Name | Database(s) |
| --- | --- |
| PG&E GAS PLANT VALLEJO 104 9 | SEMS-ARCHIVE |
| VALLEJO WATERFRONT | LUST |
| ROLLINGWOOD MIDDLE SCHOOL | ENVIROSTOR. SCH |

# OVERVIEW MAP - 4846914.2S

Target Property

Sites at elevations higher than or equal to the target property

Sites at elevations lower than the target property

Manufactured Gas Plants

National Priority List Sites

Dept. Defense Sites

0 1/4 1/2 1 Miles

Indian Reservations BIA

Power transmission lines

Pipelines

100-year flood zone

500-year flood zone

National Wetland Inventory

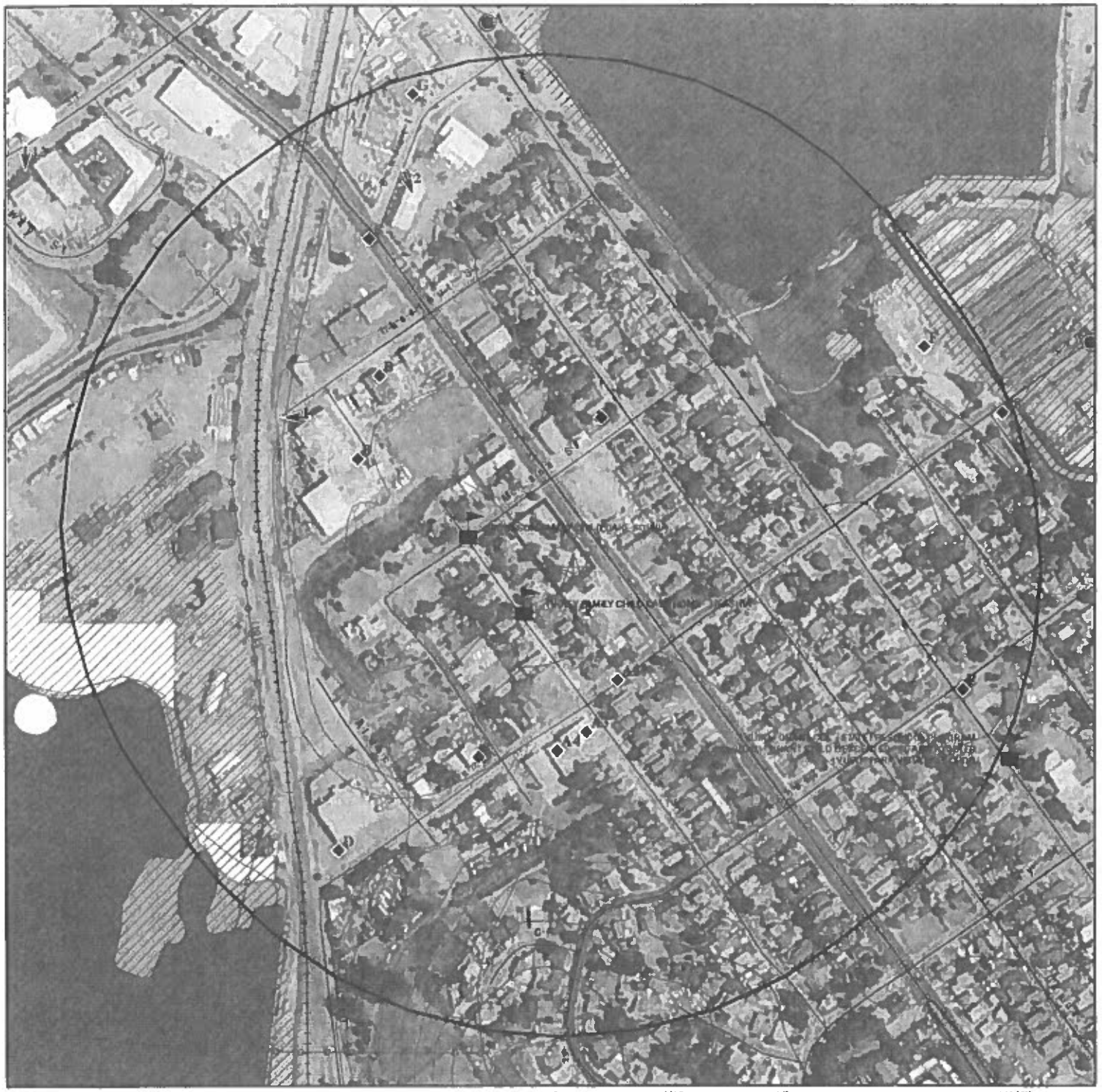
State Wetlands

Areas of Concern

This report includes Interactive Map Layers to display and/or hide map information. The legend includes only those icons for the default map view.

| | |
|---|---|
| SITE NAME: Undeveloped Land<br>ADDRESS: 759 Sonoma Boulevard<br>Vallejo CA 94590<br>LAT/LONG: 38.088388 / 122.244455 | CLIENT: PSI, Inc.<br>CONTACT: Frank Poss<br>INQUIRY #: 4846914.2s<br>DATE: February 06, 2017 5:53 pm |

# DETAIL MAP - 4846914.2S



0 1/16 1/8 1/4 Miles

- Target Property
- Sites at elevations higher than or equal to the target property
- Sites at elevations lower than the target property
- Manufactured Gas Plants
- Sensitive Receptors
- National Priority List Sites
- Dept. Defense Sites
- Indian Reservations BIA
- Power transmission lines
- 100-year flood zone
- 500-year flood zone
- National Wetland Inventory
- State Wetlands
- Areas of Concern

This report includes Interactive Map Layers to display and/or hide map information. The legend includes only those icons for the default map view.

| | |
|---|---|
| SITE NAME: Undeveloped Land<br>ADDRESS: 759 Sonoma Boulevard<br>Vallejo CA 94590<br>LAT/LONG: 38.088388 / 122.244455 | CLIENT: PSI, Inc.<br>CONTACT: Frank Poss<br>INQUIRY #: 4846914.2s<br>DATE: February 06, 2017 5:54 pm |

# MAP FINDINGS SUMMARY

| Database | Search Distance (Miles) | Target Property | < 1/8 | 1/8 - 1/4 | 1/4 - 1/2 | 1/2 - 1 | > 1 | Total Plotted |
|---|---|---|---|---|---|---|---|---|
| **STANDARD ENVIRONMENTAL RECORDS** | | | | | | | | |
| ***Federal NPL site list*** | | | | | | | | |
| NPL | 1.000 | | 0 | 0 | 0 | 0 | NR | 0 |
| Proposed NPL | 1.000 | | 0 | 0 | 0 | 0 | NR | 0 |
| NPL LIENS | TP | | NR | NR | NR | NR | NR | 0 |
| ***Federal Delisted NPL site list*** | | | | | | | | |
| Delisted NPL | 1.000 | | 0 | 0 | 0 | 0 | NR | 0 |
| ***Federal CERCLIS list*** | | | | | | | | |
| FEDERAL FACILITY | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| SEMS | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| ***Federal CERCLIS NFRAP site list*** | | | | | | | | |
| SEMS-ARCHIVE | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| ***Federal RCRA CORRACTS facilities list*** | | | | | | | | |
| CORRACTS | 1.000 | | 0 | 0 | 0 | 0 | NR | 0 |
| ***Federal RCRA non-CORRACTS TSD facilities list*** | | | | | | | | |
| RCRA-TSDF | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| ***Federal RCRA generators list*** | | | | | | | | |
| RCRA-LQG | 0.250 | | 0 | 0 | NR | NR | NR | 0 |
| RCRA-SQG | 0.250 | | 0 | 0 | NR | NR | NR | 0 |
| RCRA-CESQG | 0.250 | | 0 | 0 | NR | NR | NR | 0 |
| ***Federal institutional controls / engineering controls registries*** | | | | | | | | |
| LUCIS | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| US ENG CONTROLS | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| US INST CONTROL | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| ***Federal ERNS list*** | | | | | | | | |
| ERNS | TP | | NR | NR | NR | NR | NR | 0 |
| ***State- and tribal - equivalent NPL*** | | | | | | | | |
| RESPONSE | 1.000 | | 0 | 0 | 0 | 0 | NR | 0 |
| ***State- and tribal - equivalent CERCLIS*** | | | | | | | | |
| ENVIROSTOR | 1.000 | | 1 | 0 | 0 | 2 | NR | 3 |
| ***State and tribal landfill and/or solid waste disposal site lists*** | | | | | | | | |
| SWF/LF | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| ***State and tribal leaking storage tank lists*** | | | | | | | | |
| LUST | 0.500 | | 1 | 3 | 29 | NR | NR | 33 |

# MAP FINDINGS SUMMARY

| Database | Search Distance (Miles) | Target Property | < 1/8 | 1/8 - 1/4 | 1/4 - 1/2 | 1/2 - 1 | > 1 | Total Plotted |
|---|---|---|---|---|---|---|---|---|
| INDIAN LUST | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| SLIC | 0.500 | | 0 | 1 | 0 | NR | NR | 1 |
| ***State and tribal registered storage tank lists*** | | | | | | | | |
| FEMA UST | 0.250 | | 0 | 0 | NR | NR | NR | 0 |
| UST | 0.250 | | 1 | 5 | NR | NR | NR | 6 |
| AST | 0.250 | | 0 | 1 | NR | NR | NR | 1 |
| INDIAN UST | 0.250 | | 0 | 0 | NR | NR | NR | 0 |
| ***State and tribal voluntary cleanup sites*** | | | | | | | | |
| INDIAN VCP | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| VCP | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| ***State and tribal Brownfields sites*** | | | | | | | | |
| BROWNFIELDS | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| **ADDITIONAL ENVIRONMENTAL RECORDS** | | | | | | | | |
| ***Local Brownfield lists*** | | | | | | | | |
| US BROWNFIELDS | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| ***Local Lists of Landfill / Solid Waste Disposal Sites*** | | | | | | | | |
| WMUDS/SWAT | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| SWRCY | 0.500 | | 0 | 0 | 1 | NR | NR | 1 |
| HAULERS | TP | | NR | NR | NR | NR | NR | 0 |
| INDIAN ODI | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| DEBRIS REGION 9 | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| ODI | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| IHS OPEN DUMPS | 0.500 | | 0 | 0 | 0 | NR | NR | 0 |
| ***Local Lists of Hazardous waste / Contaminated Sites*** | | | | | | | | |
| US HIST CDL | TP | | NR | NR | NR | NR | NR | 0 |
| HIST Cal-Sites | 1.000 | | 0 | 0 | 0 | 0 | NR | 0 |
| SCH | 0.250 | | 0 | 0 | NR | NR | NR | 0 |
| CDL | TP | | NR | NR | NR | NR | NR | 0 |
| Toxic Pits | 1.000 | | 0 | 0 | 0 | 0 | NR | 0 |
| US CDL | TP | | NR | NR | NR | NR | NR | 0 |
| ***Local Lists of Registered Storage Tanks*** | | | | | | | | |
| SWEEPS UST | 0.250 | | 2 | 5 | NR | NR | NR | 7 |
| HIST UST | 0.250 | | 3 | 4 | NR | NR | NR | 7 |
| CA FID UST | 0.250 | | 1 | 5 | NR | NR | NR | 6 |
| ***Local Land Records*** | | | | | | | | |
| LIENS | TP | | NR | NR | NR | NR | NR | 0 |
| LIENS 2 | TP | | NR | NR | NR | NR | NR | 0 |
| DEED | 0.500 | | 0 | 0 | 1 | NR | NR | 1 |
| ***Records of Emergency Release Reports*** | | | | | | | | |
| HMIRS | TP | | NR | NR | NR | NR | NR | 0 |

## Timothy Moreau

**From:** Cherene <sandidgeo@aol.com>
**Sent:** Thursday, January 27, 2022 11:40 AM
**To:** Timothy Moreau
**Subject:** Fwd: REvised application for Norman King Center - Vallejo Community meeting

fyi


***Sandidge Urban Group, Inc.***
**Cherene Sandidge, President**
PO Box 26, Pinole, CA 94564
Ca DRE: 01254821
Cell: 510-290-7845
sandidgeo@aol.com


*Building sustainable communities through a lens of equity*

-----Original Message-----
From: Sandy Tawaratsumida <stawaratsumida@gvrd.org>
To: sandidgeo@aol.com <sandidgeo@aol.com>
Cc: sgt@fullcirclearchitecture.com <sgt@fullcirclearchitecture.com>; mbest-homes@sbcglobal.net <mbest-homes@sbcglobal.net>; vhawkins@chdcnr.com <vhawkins@chdcnr.com>
Sent: Tue, Jun 27, 2017 10:21 am
Subject: RE: REvised application for Norman King Center - Vallejo Community meeting

Thanks
Please let me know when we can schedule a meeting to sign the Facility Reservation form and take payment.
My office hours are 9am to 6pm at 401 Amador St.


Sandy Tawaratsumida
Recreation Coordinator
Greater Vallejo Recreation District
707-639-1325
stawaratsumida@gvrd.org
www.gvrd.org


**From:** sandidgeo@aol.com [mailto:sandidgeo@aol.com]
**Sent:** Monday, June 26, 2017 11:09 AM
**To:** Sandy Tawaratsumida <stawaratsumida@gvrd.org>
**Cc:** sgt@fullcirclearchitecture.com; mbest-homes@sbcglobal.net; vhawkins@chdcnr.com
**Subject:** REvised application for Norman King Center - Vallejo Community meeting

6-26-17

Sandy,

Just in case you need a revised contract, one is attached. We have adjusted our calendars accordingly. Call if you have any questions.

Cherene Sandidge

Sandidge Urban Group, Inc.
PO Box 26
Pinole, CA 94564
510-290-7845

-----Original Message-----
From: chdc_scanner <chdc_scanner@kosmickonnections.com>
To: cherene <sandidgeo@aol.com>
Sent: Mon, Jun 26, 2017 11:05 am
Subject: Attached Image

| | | | |
|---|---|---|---|
| | [illegible] | [illegible] | [illegible] |
| 2 | Janicse Sandidge | 510 491 6670 | j-sandidge@hotma |
| 3 | Cynthia Laird | 510-932-2798 | cynthia.laird@ugno |
| 4 | BRITTANY CURTIS | 415-794-6247 | BCURTIS009@gm |
| 5 | DASHAWN Smith | 510-367-8232 | smith.dashawn57@ |
| 6 | Danielle Jackson | 7078536934 | dannymo707@y |
| 7 | M.toney67@sbcglobal.net | 7078532872 | Margaret toney |
| 8 | Eloris A. Lexing | 415-374-3305 | eloris lexing@yahoo |
| 9 | Delila Robinson | 510.827.7543 | Sharrell robinson@G |
| 10 | Alexis Douglas | 707)342-3492 | Alexis.t.Doug |
| 11 | Vivian Rahwanji | (510) 210-2123 | VRahwanji@c |
| 12 | Alexis Williams Patton | 707-246-6826 | encouragingWords |
| 13 | Nicole Reynolds | 707-655-2179 | Colyreynolds@ho |
| 14 | Dosie King | 707-654-6152 | |
| 15 | Tausha Johnson | 707-416-3564 | tausha.a.johns |
| 16 | Jazuwane Smith | 707 704 2781 | Jazuwanae.smi |
| 17 | Donjanae Thompson | 415-619-1037 | [illegible]@Djjh |
| 18 | Toni Edwards | | |
| 19 | | | |

# Greater Vallejo Recreation District
# Application Request for Rental of Community Centers

| Foley Cultural Center | Vallejo Community Center | Norman C. King South Vallejo Community Center | North Vallejo Community Center |
|---|---|---|---|
| Crystal Stephan | Kevin Rahill | Sandy Tawaratsumida | Sandy Tawaratsumida |
| cstephan@gvrd.org | krahill@gvrd.org | stawaratsumida@gvrd.org | stawaratsumida@gvrd.org |
| 707-648-4630 | 707-648-4640 | 707-639-1325 | 707-639-1325 |
| Fax: 707-648-5331 | Fax: 707-648-4616 | Fax: 707-648-4616 | Fax: 707-648-4616 |

## Applicant Information

Name of Applicant: Cherene Sandidge

Name of Organization: Community Housing Devel. Corp. North Richmond

Non-profit: Yes | No (attach copy of 501-c-3)

Address: 1535-A Fred Jackson Way City: Richmond State: CA Zip Code: 94801

Home Phone: 510 412 9290 Cell Phone: 510-290-7845 Fax Phone:

Email Address: sandidgeo@aol.com Driver's License: N6201254 Date of Birth: 08 / 26 / 60

## Activity Details

Type of Activity: Community Meeting Day of the Week: ~~Thursday~~ Friday Date: ~~20~~ 28 July 2017 (CS)

Facility: Norman C. King South Vallejo CC Room(s):

Set-up Time: 6:30pm — 7:00pm Event Hours: 7pm — 8:30pm Clean-up: 8:30pm — ~~9pm~~ 10:30

Total Estimated Attendance: 50 Youth: — Adults: 50

Will be open to the public? (Yes) No If yes, explain: Residents near 759 Sonoma Blvd.

Is this a fundraiser? Yes (No) If yes, explain:

Will donations or fees be collected? Yes (No) If yes, explain:

Will alcohol be served or sold? Yes (No) If yes, explain:

Will include entertainment? Yes (No) If yes, explain:

Will be advertised/promoted? (Yes) No If yes, explain: Notify Vallejo Residents

I hereby attest that the information contained in this application is true and correct. I understand that this is only an application and does not guarantee an activity will be allowed to commence. If a contract is issued, I agree that if any of the information contained in the application is found to be false; or should any rules and regulations or laws be violated, any contract issued shall automatically become null and any activity associated with this reservation will immediately cease. Violations of above said will result in the forfeit of all deposits and fees.

Signature of Applicant Cherene Sandidge Date 16 June 2017

# NEW AFFORDABLE HOMES IN VALLEJO!!

**Come out and here about new "affordable" HOMES being built for moderate income, FIRST-TIME homebuyers! YOU have any questions just come-out to this meeting for the answers!!!**

****HOMEBUYING HELP IS AVAILABLE THROUGH****

*****Homebuyers Club***

*****Down Payment Assistance***

*****INCOMES UP TO 100% of the Area Median Income (qualifications apply)***

**When:** **July 28, 2017**

**Where:** **Norman King Center – 545 Magazine St. Vallejo**

**TIME:** **7:00 pm – 8:00 pm**

**(Space is limited – so come early)**

***A Community Housing Development Corp, Affordable Development***

COMMUNITY HOUSING CAPITAL

402 E. Howard Avenue
Decatur, GA 30030
(404) 373-5662

February 4, 2022

**Donald Gilmore**
**Executive Director**
**Community Housing Development Corporation of North Richmond (CHDC)**
**1535 Fred Jackson Way**
**Suite A**
**Richmond, CA 94801**

Re: Sonoma Estates

Dear Donald,

Community Housing Capital, Inc. ("CHC"), subject to underwriting, CHC's loan committee approval and execution of lender approved loan documentation, is pleased to consider financing along the lines of the following if the loan was closed today:

| | |
|---|---|
| Borrower: | Community Housing Development Corporation of North Richmond |
| Guarantor: | Community Housing Development Corporation of North Richmond |
| Loan Amount: | Up to $7,000,000 |
| Maximum LTV: | Not to exceed 90% |
| Purpose: | Construction Loan to provide financing for the construction of Sonoma Estates, an 11-unit duplex townhouse style, new construction development located at 759 Sonoma Boulevard in South Vallejo, CA. |
| Maturity: | Construction Loan: 24-months with a pre-approved option to extend an additional 6-months at CHC's discretion. |
| Repayment: | Monthly interest only payments. At the time of construction loan close a capitalized interest reserve will be established and drawn upon monthly to cover any required interest payments. At maturity or conversion to Perm Loan all principal and accrued interest shall be due and payable. |
| Interest Rate as of the date hereof: | Floating Prime + 150 bps (4.75% as of 2/3/2022) |
| Fees: | A) $2,000 Application Fee<br>B) Origination Fee of 125 bps of loan amount ($87,500)<br>C) Documentation Fee of $250 payable at acceptance of commitment.<br>D) Legal Fee: Actual third-party legal fee incurred a) for initial closing on the Line, and b) for securing advances on the Line. |
| Security: | 1) First deed of trust on the land and improvements.<br>2) Pledge of ownership interest in Borrower (SPE).<br>3) UCC pledge of FFE (for operating properties).<br>4) Assignment of rents and leases (for operating properties).<br>5) All tranches shall be cross-defaulted. |

This letter is not intended to create a legally binding obligation or commitment between CHC and **Community Housing Development Corporation of North Richmond** but is merely an expression of interest in the

COMMUNITY HOUSING CAPITAL

402 E. Howard Avenue
Decatur, GA 30030
(404) 373-5662

proposed financing. It does not contain all the required terms and conditions of a loan and is subject to credit underwriting and approval by CHC, which may not be forthcoming or, if forthcoming, may not be on the terms stated above. For example, interest rates are constantly being reviewed by CHC and the method of calculating and amount may change. This letter is not assignable and not intended to benefit any third party.
Since 2000, Community Housing Capital has originated over 420 loans totaling more than $621 million to 140 NeighborWorks® organizations. This activity has facilitated $2.1 billion in affordable housing development creating more than 17,860 units of affordable housing located in 42 states across the country.

For further assistance, please contact **Donyetta Edwards** at **678-538-9925**.

Sincerely,

Donyetta Edwards

Donyetta Edwards
Loan Officer

By

Date 2/4/2022

Donald Gilmore
Executive Director

# CHERENE SANDIDGE

the SANDIDGE Urban Group

**SANDIDGE URBAN GROUP, INC.**
**P.O. Box 26, Pinole, CA**
**(510) 290-7845 / Email: Sandidgeo@aol.com**

**STRATEGY | LEADERSHIP | PERFORMANCE**

A highly accomplished Real Estate Professional who has over 35+ years of Real Estate Development and Financing in Affordable Housing, Construction, Construction Management and Commercial Shopping Center/Retail Development expertise. We have developed over 2,000 units of new housing for low-income families to encourage lifestyle sustainability and community renewal. We continue to advocate for laws and policies for both the industry and the public. Continue to represent industry in policies around *gentrification* and minority displacement. Experienced in executing construction efficiency as a General Contractor; and have represented Clients as First Responder in emergency building reconstruction.

## Areas Of Expertise

- Real Estate Developer
- Construction/Asset Management
- Entitlement Planning/Analyst
- Development/Land Acquisition
- Bond-Finance/LHITC/Special Funding
- Budgets/Timelines/Schedules
- Construction/CM Management
- LIHTC/Affordable Housing/Multifamily/HUD
- Strong Leader/Community Engagement Leader
- Credit/Formal Bank Training/Lender
- State Real Estate Laws/Advocacy
- Redevelopment Law/Programs

## PROFESSIONAL EXPERIENCE

**Sandidge Urban Group, Inc. (formerly known as: C. SANDIDGE & ASSOCIATES, San Francisco, CA**

**President/CEO** **2000 – Present**

SUG is private construction development firm that provides professional services in development consulting, management, training and real estate development services to local governments, private and nonprofits companies, providing management, housing, construction and administrative services such as: project management, redevelopment, affordable multifamily housing, senior housing, and specialty housing using such sources as LIHTCs, HUD bond financing and government sources. Clients:

| | |
|---|---|
| Smyrna Enterprises, LLC, Faith Based Non Profit | 2017- Present |
| Mission Economic Development Agency (MEDA) | 2017- Present |
| Community Development Corporation, N. Richmond, Don Gilmore, Executive Director | 2012- Present |
| Dignity Housing West, Derrick Bulls, Executive Director | 2013- 2014 |
| North Oakland Community Housing, Larry Taylor, Executive Director | 2005-2008 |
| San Francisco Housing Development Corporation, Regina Davis, Executive Director | 2000-2008 |
| East Bay Asian Local Development Corporation, Lynette Lee, Executive Director | 1993-2000 |
| New Faze Development Corporation, Allen Warren, President | 1996-2008 |
| West Oakland Council/Acorn Housing, West Oakland, CA | 1998-2002 |
| Redevelopment Agencies: *Cities of Oakland, Union City, San Leandro, Fremont, & San Jose* | 2000-2007 |

- Developed, negotiated and monitored over $750+ million in construction to ensure Clients business objectives of developing affordable housing were met. Maintained fruitful relationships with clients and other consultants to ensure maximization of profits and project expectations were met.
- Under aggressive timelines, managed several large affordable housing complexes, development projects; including responding to developing Construction Team of professionals, Negotiations of subcontracts, internal reporting and responding to governmental agency requests and reporting to community oversight boards.
- Prepared grant applications for funding from complex government sources such as bond financing, 4/9%LIHTC tax credits, HUD 202/811, Sec. 8, HOWPA, NSP, Shelter Plus Care, HOME and CDBG and now the AHSC

applications. Prepared applications to local Agencies for published RFP's and NOFA's; received 95% effective rate.

- Advanced Clients business development plans by creating a streamline proposal template to save time and strengthen accuracy and ascetics. This aided the tracking and budgeting process.
- Prepared comprehensive and technical reports analyzing Clients past unsuccessful quests for funding sources; made recommendations that we unique and nontraditional in difficult markets, including urban rental policies and regulatory compliance.
- Developed the entire construction plan, site planning, right-away, scheduling, housing plans, including assembling of team, community support, and scheduling to ensure an on-time project completion and successful deliverables.
- Prepared comprehensive, complex proforma budget's and forecast reports, conducted frequent mid-term and annual audit reports to ensure compliance by funder; prepared reports to banks and financial stakeholders.
- Trained Staff, Reported findings to Community, Community Presentations, and City Council Representative.
- Acted as lead for all project development such activities such as entitlements presentations at planning commission meetings, TV spokesperson, and lead marketing representative.

**East Bay Asian Local Development Corporation (EBALDC), Oakland, California 1993-2000**
**Development Manager**

- Successfully developed and negotiated land acquisition, project financing of a $ 100 million portfolio of 1) 80 single family homes, 2) two, total150 unit multifamily, 3) commercial shopping center and 3) a 100 multifamily unit project. All are tax credit funding and city assisted projects.
- Transformed a previously abandoned retail site into a community strip shopping center featuring a grocery store.
- Prepared application and received largest HUD Section 107/EDI grant in county; also largest MTA grant in California for a project.
- Created Fair Housing/Marketing Plans approved by HUD.
- Managed development staff and directed their training; conducted reviews and evaluations.

**City of Orange Redevelopment Agency, Orange, California 1988-1993**
**Redevelopment Project Manager**

- Managed a regional mall redevelopment re-use project; a multifamily housing development, and commercial loan specialist.
- Created and acted as Executive Director for city sponsored nonprofit corporation designed to develop community programs, assess housing needs, negotiate loan terms for projects, and conduct financial analysis and feasibility studies.
- Conducted loan management activities such as loan administration, inspections, fund disbursements, title insurance procurement, escrow closings, property management and detailed legal matters including litigation.
- Managed Staff, reviews, and evaluations.
- Key source for creating and administering first time buyer programs.

## EDUCATION & PROFESSIONAL CERTIFICATIONS

- *Real Estate*: **Licensed CA Real Estate Broker 01254821 (exp. 2/2023)**
  Project Finance / Financial Analyst / Tax Credits / Bonds
  Project Management / Property Management
  Commercial / Consumer Lending / Leasing

- *Development*: **Certified HUD Home** Path Professional Builder
  State of California Qualified Entity
  Redevelopment Manager / CDBG Administrator / Nonprofit Housing Developer

- *Construction*: **Licensed/Past CA General Contractor- License B #940880 (retired)**
  Construction Management / Documentation and Staffing
  New Construction / Rehabilitation / Commercial

- *Education:* **Master in Business Administration.**, Azusa Pacific University, Azusa, CA
  **Bachelor of Science**, San Francisco State University, San Francisco, CA
  **Diploma**, Balboa High School, San Francisco, CA

SANDIDGE URBAN GROUP (AKA: C. SANDIDGE & ASSOCIATES)

## PROJECT DEVELOPMENT LIST

| NAME & LOCATION | STATUS | UNITS | TYPE | TOTAL COST | CSA ROLE | PRIMARY FINANCING SOURCES |
|---|---|---|---|---|---|---|
| 4445-3RD STREET San Francisco | Completed | 50 | Rental w/ ground floor commercial | $15 Million | Joint Venture: CSA Mission Housing Development Corp. & San Francisco Housing Development Corp. | LIHTC, MOH, HOPWA Wells Fargo Bank, Federal Home Loan Bank -AHP, SFRA, Cal Fed. |
| KEITH STREET HOMES San Francisco | Completed | 10 | Single-family homes | $3.5 Million | Joint Venture: CSA EM Johnson & San Francisco Housing Development Corp. | SFRA, Low-Income Housing Fund. Cal-Fed Bank and Wells Fargo Bank |
| Providence Senior Apartments San Francisco | Completed | 48 | Rental Seniors | $15 Million | Joint Venture: Providence Foundation and Christian Church Homes | SFRA, HUD 202* |
| 4800 Third Street Apartments San Francisco | Completed | 18 | Cond W/ ground floor commercial space. | $12 Million | Joint Venture: CSA/ San Francisco Housing Development Corp | MOCH, SFRA |
| Ocean Beach Apartments San Francisco | Completed | 84 | Rental Rehab | $23 Million | Joint Venture: AF Evans Inc.; San Francisco Housing Development Corp. | SFRA, LIHTC. Bonds, CitiBank |
| GERALDINE ARMSTRONG SENIOR HOUSING | COMPLETED | 50 | HUD 202 SENIOR HOUSING | $18 Million | JV; SFHDC AND BRIDGE HOUSING | |
| Sierra Gardens Chico | Acquisition / CONSTURCTION | 124 SFR 66 Senior Rental | SFR & Rental | $63 Million | Joint Venture: CSA New Faze Development | LLC, Bonds, Tax Credits, TBD |
| Baypoint Family Housing | Completed | 71 | For Sale | $ 8 Million | JV: CSA, EBALDC, OCHI | Bank Loan, MFHP, Tax Credits or bond financing; |
| Acorn Shopping Center (Jack London Gateway) Oakland | Completed | | Commercial Shopping Center | $7.8 Million | Joint Venture : CSA Westside EDC, East Bay Asian Local Development Corp., Portfolio Properties | RDA funds, Construction loans; bonds Commercial Center |
| Effie's House Oakland | Completed | 31 | Rental Rehab | $ 2 Million | Joint Venture: East Bay Asian Local Development Corp. | RDA funds, construction bank loan |

| | | | | | | |
|---|---|---|---|---|---|---|
| Union Landing<br>Union City | Completed | | Major Commercial Shopping Center | $ 100 Million | Union City Redevelopment Agency<br><br>CSA: Project Manager | RDA funding; investors, bonds, leasing, construction<br><br>Construction of City Infrastructure. |
| Mall of Orange<br>Orange | Completed | | Regional Shopping Center | $ 20 Million | City of Orange Redevelopment Agency; Newan & Associates Cherene Sandidge: Project Manager | RDA funds, construction loans, bonds, local investors |
| **Current Projects:**<br><br>2205 Mission Street | Under Construction | 63 – Units W Ground Floor Commercia l Units | SFR and Commercial | $86,000,000 | Development capacity for MEDA and its affiliates | $55M in NMTC, Unit acquisitions, CDLAC Bonds. |
| Under Development:<br><br>1827 San Joaquin | In Planning | 80-100 Units | Multi Family – Affordable Ground Floor Commercial | $66,000,000 | Development Lead – for Smyrna Enterprises | Standard Capital Stack – TCAC CDLAC AHSC Investor Equity<br><br>2020 Start Date |
| 201 MacDonald | In Planning | 65-80 Units | Multi Family Affordable w ground floor fronting McDonald. | $50,000,000 | Development Lead – for Smyrna Enterprises | Standard Capital Stack<br><br>Q4 – 2020 Start Date |
| 759 Sonoma Blvd | Under Construction | 15 Units | SFR - | $10,000,000 | Development Lead – for CHDC | Funding: City of Vallejo, HUD, and CalHfa Veterans funding.<br><br>Q4 – 2019 Start Date |

www.goldfarblipman.com

goldfarb
lipman
attorneys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1300 Clay Street
11th Floor
Oakland, CA 94612

Los Angeles
523 West Sixth Street
Suite 610
Los Angeles, CA 90014

San Diego
2260 El Cajon Boulevard
No. 922
San Diego, CA 92104


*Goldfarb & Lipman LLP is a certified women-owned enterprise.*

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## INTRODUCTION

Goldfarb & Lipman LLP is California's leading law firm in the areas of in affordable housing, real estate, land use, community economic development, employment and municipal law. Since 1971, our practice has focused on real estate syndications, public finance, environmental law, fair housing, cooperatives, condominiums and other subdivisions, land use, leasing, financing, securities, and related areas of corporate law. Our practice includes all areas of legal expertise required by our clients related to the development of projects as well as trial and appellate litigation. We are a women-owned enterprise, certified by the Women's Business Enterprise National Council. We encourage you to visit our website: goldfarblipman.com for additional information regarding our work.

## AFFORDABLE HOUSING

Affordable housing is a mission-driven business, and our clients are passionately committed to developing quality affordable housing in order to provide everyone the opportunity to live with dignity. Goldfarb & Lipman supports and shares our clients' commitment to affordable housing development. Since 1971, we have been a leader in affordable housing law representing hundreds of public agencies, affordable housing developers, and for-profit developers in creating affordable housing for low and moderate income households. We have helped our clients develop over fifty thousand affordable housing units throughout California, utilizing a wide variety of public and private financing sources.

Many of our attorneys have worked at the U.S. Department of Housing and Urban Development, and other government agencies, and have direct experience working with, and implementing, the funding programs our clients rely on to develop affordable housing. Goldfarb & Lipman attorneys have also worked as city planners and for nonprofit housing developers and other organizations in the nonprofit sector. This wide range of experiences enables our attorneys to advise clients from studying the initial feasibility of a project to planning and design, through tax structuring, financing and syndication and then onto construction and continuing operations. In addition, many of our attorneys have direct experience working for nonprofit affordable housing developers, and other organizations in the nonprofit sector.

Our comprehensive services include representation on real estate, tax, finance, land use and fair housing issues in connection with the development of both rental and for-sale affordable housing. We effectively represent our clients on a full-range of affordable housing projects and services, including: rental,

cooperative and condominium development, single family subdivision development, including self-help housing, mobile home park conversions, government subsidy programs, including inclusionary housing programs, tax syndications and project financing, second mortgage resale restriction programs, and preserving the affordable housing status of at-risk projects. We have expertise in understanding all phases of the housing process, from the creation of the development entity to financing, construction and management.

Goldfarb & Lipman is also the principal author of Between the Lines: A Question and Answer Guide on Legal Issues in Supportive Housing, published by the Corporation for Supportive Housing providing guidance for developers of supportive housing on the myriad of legal issues involved in developing and operating such housing.

***Low Income Housing Tax Credits***

Goldfarb & Lipman has structured hundreds of affordable housing projects using federal and state Low Income Housing Tax Credits. We were one of the first firms in California to promote syndication as a source of capital for nonprofit-sponsored affordable housing developments. By the time of enactment of the 1986 Tax Reform Act, which codified the current Low Income Housing Tax Credit, we had already structured dozens of affordable housing projects using syndication as a funding resource. Our work in the area of Low Income Housing Tax Credits has helped improve the position of nonprofit housing corporations in tax credit transactions and has influenced industry standards and practice with the development of such provisions as ground lease preferences, nonprofit purchase options, nonprofit purchase discounts, favorable back-end splits, and local government loan forgiveness. We have closed tax credit syndications involving a variety of investors, including individual corporations, public pooled investment funds, corporate pooled investment funds, and private offerings for which we prepared the offering materials. As the Low Income Housing Tax Credit program has evolved, our attorneys have continued to remain at the forefront assisting our clients to continue to utilize this effective funding mechanism to create affordable housing. We have represented clients in the structuring of projects utilizing both Low Income Housing Tax Credits and Section 202 financing from the U.S. Department of Housing and Urban Development. In addition, we have assisted clients in utilizing the Tax Credit Assistance Program and the Tax Credit Exchange Program established through the American Recovery and Reinvestment Act. We have been actively involved in implementing California's "certificated" state low income housing tax credits.

***Federal, State and Local Housing Finance Programs***

Goldfarb & Lipman attorneys are experts in understanding how to implement and utilize the numerous federal, state and local finance programs available for affordable housing. We pride ourselves on our relationships with, and our reputation among, the federal, state and local government agencies responsible for implementing these programs.

Many of our attorneys have worked at HUD and other government agencies, and have direct experience working with, and implementing, the HUD funding programs our clients utilize to develop affordable housing. Goldfarb & Lipman has unparalleled experience with HUD-administered programs such as: Rental Assistance Demonstration Program (RAD), Section 8 Certificates and Vouchers, Section 202 and 811 programs, the Senior Preservation Rental Assistance Contract (SPRAC) program, Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Flexible Subsidy Program, FHA Insured programs such as Sections 221(d)(4), 223(a)(7), 223f and 232, Capital Advance Programs, Housing Opportunities for People with Aids (HOPWA), McKinney Act Homeless Programs, Preservation Programs, Public Housing and Mixed Finance, the Neighborhood Stabilization Program (NSP), and the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH) Programs. We also have significant experience working with the Federal Home Loan Bank's Affordable Housing Program.

Goldfarb & Lipman has extensive experience in utilizing the following programs implemented by the State of California Department of Housing and Community Development (HCD): State CDBG and HOME Program, Multifamily Housing Program (MHP), Rural Predevelopment Loan Program, Emergency Shelter Grant Program, Mobilehome Park Resident Ownership Program (MPROP), Joe Serna Farmworker Grant Program, Proposition 1C programs (including the Infill Infrastructure Grant Program, and the Transit Oriented Development Housing Program). In addition, we are expert at assisting affordable housing developers utilize the multifamily rental housing programs and the single-family housing programs of the California Housing Finance Agency (CalHFA), including the Mental Health Service Act (MHSA) funds.

Through our representation of cities, counties, and housing authorities we have also worked on a wide array of affordable housing programs developed and operated at local levels of government. We have assisted in the creation, development and implementation of such programs as: rent relief and deposit assistance programs, housing trust funds to develop affordable rental housing, and the utilization of multifamily housing revenue bonds and 501(c)(3) bonds.

## FAIR HOUSING

Goldfarb & Lipman is well versed in the latest developments in fair housing and discrimination law, advising clients on rent-up and tenant selection issues, as well as defense of discrimination claims. The attorneys at Goldfarb & Lipman authored *Between the Lines: a Question and Answer Guide on Legal Issues in Supportive Housing*, a unique guide for supportive housing providers dealing with legal and practical challenges of addressing fair housing laws in supportive housing. Goldfarb & Lipman attorneys also authored the guidance publication on fair housing issues related to the implementation of the Mental Health Services Act Housing Program. We are called upon frequently by our nonprofit and public agency clients to provide guidance with issues arising out of the Fair Housing Act, Section 504 of the Rehabilitation Act, Americans with Disabilities Act, and state accessibility laws. We have advised numerous public agency clients on land use and fair housing issues, including drafting reasonable accommodations policies, tenant selection policies and other lease up documents. Goldfarb & Lipman also works with our public agency clients on fair housing issues, including providing guidance on group home and licensed care facility siting issues, reasonable accommodation policies as they relate to zoning ordinances and tenant preference policies for publicly administered assistance programs. We also provide day to day advice to clients on implementing tenant selection and reasonable accommodation policies and resolving fair housing and discrimination claims.

## RELOCATION

Goldfarb and Lipman attorneys are experts in the complexities of relocation law under both federal and state law, regularly providing trainings and seminars providing both legal and practical experience on implementing relocation programs. Through our work representing nonprofit developers and public agencies involved in land acquisition and rehabilitation transactions, we have implemented programs involving hundreds of separate properties and relocation cases, providing our clients with both the required legal guidance as well as the necessary day to day project management tools to complete their projects on time and on budget.

## FINANCE/TAX

Goldfarb & Lipman assists our clients in achieving successful taxable and tax-exempt financing for project and program implementation. We routinely advise clients on the variety of financial tools available to finance local projects, which may include taxable and tax exempt bonds, certificates of participation, developer financings, Mello-Roos Districts and assessment bonds. We have

experience with the full range of available bond programs including multifamily revenue bonds, single family revenue bonds, tax allocation bond and 501(c)(3) bonds.

## CONSTRUCTION & DESIGN CONTRACTS

Goldfarb & Lipman has extensive experience in negotiating and preparing construction contracts for affordable housing developments, and a complete understanding of the design and construction process. We assist our clients to successfully anticipate and manage legal issues throughout the design and construction process. Utilizing our affordable housing experience, our knowledge of contract law, and our thorough understanding of the design and construction process, we position clients to avoid many problems and issues arising during the negotiation and performance of design and construction contracts. Our attorneys, which include a partner with an advanced degree in architecture, have unique experience in understanding the particular issues inherent in design and construction contracts for affordable housing, as well as the Public Contract Code requirements imposed on public agency design and construction contracts.

We provide clients with effective techniques to properly allocate risk between owners and the general contractor. Our broad knowledge of construction law issues includes providing advice on design-build, payment procedures to protect the owner's interest, change orders, mechanics' liens, construction scheduling issues, and dispute resolution, including litigation of construction disputes. We have particular strength in assisting affordable housing developers comply with the various obligations imposed by SB-800 (California's Right-to-Repair legislation) on for-sale units. In addition, our practice includes the negotiation and preparation of architect agreements. We also routinely negotiate and prepare other professional service and consultant agreements related to design and construction such as engineering, appraisal, cost estimating, and construction management contracts. We also provide enforcement advice and litigation services to many owners and public agencies for these types of agreements.

## LAND USE

We provide a full range of services in land use law, ranging from environmental review to entitlement support to drafting of zoning, subdivision, and other land use ordinances. Our practice is particularly focused on land use issues related to housing and community economic development. We have prepared numerous inclusionary and density bonus ordinances for public agency clients,

reviewed housing elements and defended them in court, and drafted documents to implement adopted programs, including development agreements, deed restrictions for homebuyers, and covenants for affordable rental housing.

Many of our attorneys have degrees in city planning or related fields or have experience working in local planning agencies. We have made numerous presentations to and written papers for organizations such as the American Planning Association, League of California Cities, and Housing California on a broad range of land use issues, including streamlining environmental review, climate change, housing elements, and density bonus law. We are active in those organizations, and attorneys in the firm have assisted in drafting land use legislation.

***CEQA Compliance***

We provide ongoing advice to public agency and private clients regarding the environmental review required for public and private projects. We frequently advise on the use of exemptions and existing environmental documents to streamline environmental review. In addition, we review Environmental Impact Reports, negative declarations, and other environmental documents for adequacy, including emerging issues of greenhouse gases, toxic air pollutants, climate change and adaptation, and water supply, and draft findings to support the public agency's decision. Although our goal when working with clients on CEQA issues is to provide the strongest defensible record in the hopes of avoiding the cost and time delays associated with CEQA, we also defend our clients when CEQA challenges are brought, including issues related to the appropriate level of CEQA review as well as the sufficiency of the environmental analysis. We remain at the forefront of recent climate change and other environmental legislation including SB 375 and understand its effects on the CEQA and development streamlining process.

***NEPA Compliance***

Many of the firm's clients rely upon federal funding for completion of development projects or require federal project approvals, and the firm's attorneys are familiar with and provide advice to clients on compliance with NEPA as part of obtaining the necessary funding or permits. In that capacity we have advised clients on the necessary level of NEPA review (whether categorical exclusion, FONSI (Finding of No Significant Impact), or EIS (Environmental Impact Statement); the preparation of the NEPA documents; and the timing of obtaining NEPA review to insure timely funding or issuance of required permits. Several of our attorneys formerly worked for the federal

government and understand how the federal agencies apply NEPA review.

**NEW MARKETS TAX CREDITS**

With the introduction of the New Market Tax Credit program as a viable financial tool for urban development, Goldfarb & Lipman has extended its practice to include New Market Tax Credits as a component of our real estate development practice. We have provided legal services to our clients for every phase of a New Market Tax Credit transaction, including determining the eligibility of a project to receive credits, forming and representing Community Development Entities, representing leverage loan lenders and Qualified Active Low Income Community Businesses, and providing advice on ongoing compliance during the credit period. We have acted as counsel on numerous NMTC closings, including the Oakland Fox Theater, the Ed Roberts Campus, the David Brower Center, the Fresno Bee Building, Rumrill Soccer Park in Berkeley, Family House at Mission Bay, the Helms Community Center in San Pablo, Lighthouse for Children in Fresno and Swan's Marketplace in Oakland.

**GENERAL CORPORATE ACTIVITIES**

Goldfarb & Lipman has formed numerous nonprofit corporations, partnerships and limited liability companies which engage in a wide variety of activities. The firm also provides ongoing assistance with corporate governance matters, tax issues, human resources, program and property management, and other operational issues. We also conduct corporate reviews to assure that corporate and tax exemption documents are in accordance with current law and practice, as well as providing board and staff training regarding corporate roles and responsibilities. Our firm has prepared corporate formation documents, overseen incorporation, and, drafted the necessary tax exemption applications and guided them through the Internal Revenue Service and Franchise Tax Board processes to secure exemptions for the organizations. We provide ongoing advice on corporate governance and operations matters, including annual audit and reporting issues. Goldfarb & Lipman also represents nonprofits in responding to investigations and inspections by governmental entities. We have extensive experience in assisting applicants obtain, and maintain, the welfare exemption under California Revenue & Taxation Code 214.

**LITIGATION**

Goldfarb & Lipman's litigation practice focuses on serving private and public developers, nonprofit organizations, and public agencies in all manner of

litigation cases. Consequently, we have extensive trial and appellate experience in eminent domain litigation, inverse condemnation actions, civil rights and discrimination actions, real estate and real estate secured transactions litigation, including bankruptcy, land use litigation, EIR litigation, construction dispute litigation, employment contract and wrongful termination disputes, property tax allocation and distribution litigation, land use litigation, and government law litigation. Goldfarb & Lipman's broad range of experience enables us to assist our clients in all issues proceeding or accompanying litigation, and has resulted in significant published opinions.

## GOLDFARB & LIPMAN ATTORNEYS

### DIANNE JACKSON MCLEAN

**Education:** A.B., University of California, Berkeley. Masters in City Planning, University of California, Berkeley. J.D., University of California, Hastings College of the Law. **Previous Employment:** Associate Planner, City of Daly City. Associate Planner, City of Sacramento. City Planner, City of Emeryville Redevelopment Agency. **Professional & Volunteer Affiliations:** State Bar of California. Advisor on Executive Committee. Real Property Law Section. State Bar of California. Member, Charles Houston Bar Association. Member, National Bar Association. Fellow, American Bar Foundation, Fellow. Member, American Bar Association. Recording Secretary and Legislative Chair- Board of Directors, California Association of Black Lawyers. Member, Ethics Committee. Bar Association of San Francisco.

### M DAVID KROOT

**Education**: B.A., University of Michigan, Honors Program in Economics. J.D., University of Chicago Law School. **Previous Employment:** Chief Housing Attorney, U.S. Department of Housing and Urban Development (HUD), Office of Area Counsel, San Francisco, California. **Professional and Volunteer Affiliations**: State Bar of California. American Bar Association. Member, Forum on Affordable Housing & Community Development Law of the American Bar Association. Chief Legal Officer, Board of Directors, Tenderloin Neighborhood Development Corporation.

### LYNN HUTCHINS

**Education:** B.A., Stanford University. J.D., University of California, Davis, Order of the Coif honors. **Professional & Volunteer Affiliations:** State Bar of California. American Bar Association. Member, Real Property Law Section, Member, Forum on Affordable Housing and Community Development Law. Secretary, California Housing Consortium.

### KAREN M. TIEDEMANN

**Education:** A.B., University of California, Berkeley. J.D., Boalt Hall School of Law, University of California, Berkeley, Order of the Coif honors. Associate Editor, Ecology Law Quarterly. Masters in City Planning, University of California, Berkeley. **Professional & Volunteer Affiliations:** State Bar of California.

### THOMAS H. WEBBER

**Education:** B.A., University of Massachusetts, Amherst. J.D., Golden Gate University School of Law. **Previous Employment:** Assistant to the City Attorney, Office of City Attorney, City of Oakland. Planner, Office of Economic Development and Employment, City of Oakland. **Professional & Volunteer Affiliations:** State Bar of California.

**MICHELLE D. BREWER**

**Education:** B.A., Harvard University, honors. Masters in Public Affairs, Princeton University. J.D., Harvard University Law School. **Previous Employment:** Deputy City Attorney, City and County of San Francisco. **Professional & Volunteer Affiliations:** State Bar of California. Member, Real Property Law Section of the State Bar of California. American Bar Association. Member, Forum on Affordable Housing and Community Development Law.

**JENNIFER K. BELL**

**Education:** B.A., Wellesley College, honors. J.D., Harvard University Law School. **Previous Employment:** Deputy General Counsel, San Francisco Redevelopment Agency. Deputy City Attorney, City of Oakland. Attorney, U.S. Department of Housing and Urban Development. Staff Attorney, Legal Aid Society of Alameda County. **Professional and Volunteer Affiliations:** State Bar of California, Real Property Law Section. Black Women Lawyers of Northern California. Member, East Bay Housing Organizations. Former Board Member, Merritt Community Capital Corporation and the Low Income Housing Fund.

**ROBERT C. MILLS**

**Education:** B.A., California State University, Northridge, *cum laude*. J.D., Hastings College of the Law. Associate Articles Editor, Communications and Entertainment Law Journal. **Previous Employment:** Staff Attorney, U.S. Department of Housing & Urban Development, Office of Counsel, Pacific/Hawaii Area. **Professional & Volunteer Affiliations:** State Bar of California. Member, National Association of Housing and Redevelopment Officials.

**ISABEL L. BROWN**

**Education:** B.S.E. in Civil Engineering and Certificate in Architecture, Princeton University, *cum laude*. Masters degree in Architecture, University of California, Berkeley. J.D., Boalt Hall School of Law, University of California, Berkeley. Articles Editor, Ecology Law Quarterly. Sadie & Alvin Landis Prize in Local Government Law. **Previous Employment:** Legislative Assistant, U.S. House of Representatives. Assistant

Architect, City of New York, Department of Housing, Preservation & Development. **Professional & Volunteer Affiliations:** State Bar of California.

**JAMES T. DIAMOND**

**Education:** B.A., University of San Francisco, *cum laude*. J.D., Hastings College of the Law. **Professional & Volunteer Affiliations:** State Bar of California. State Bar of California. American Bar Association, Employment Law Section. Alameda County Bar Association Labor & Employment Law Section, Executive Committee Member. Oakland African American Chamber of Commerce.

**MARGARET F. JUNG**

**Education**: B.A., University of California, Los Angeles, *magna cum laude*, Phi Beta Kappa. J.D., Boalt Hall School of Law, University of California, Berkeley. **Previous Employment**: Public Accountant, Ernst & Young, LLP. **Professional & Volunteer Affiliations**: State Bar of California, Business Law and Taxation Sections. Certified Public Accountant (inactive), California Board of Accountancy. Board of Directors, Chinatown Community Development Center. Member, National Coalition for Asian Pacific American Community Development.

**HEATHER J. GOULD**

**Education:** B.A., Carleton College, *magna cum laude*, Northfield, Minnesota. J.D., Boalt Hall School of Law, University of California, Berkeley. **Professional & Volunteer Affiliations:** State Bar of California.

**WILLIAM F. DICAMILLO**

**Education:** B.A., State University of New York, Buffalo, *magna cum laude*. Phi Beta Kappa. J.D., University of California, Los Angeles. **Previous Employment:** Travelers Aid Society of Alameda County, Case Manager. **Professional & Volunteer Affiliations:** State Bar of California. State Bar of New York.

**AMY DeVAUDREUIL**

**Education:** B.A., University of Rhode Island, Highest Honors, Phi Beta Kappa. J.D., Boalt Hall School of Law, University of California, Berkeley. **Professional and Volunteer Affiliations:** State Bar of California, Real Property and Taxation Sections. American Bar Association, Forum on Affordable Housing and Community Development. Board Member, San Diego Housing Federation.

**BARBARA E. KAUTZ**

**Education:** B.A., *cum laude*, Phi Beta Kappa, Stanford University. Masters of City Planning, University of California, Berkeley. J.D., *summa cum laude*, University of San Francisco. U.S.F. Law Review Articles Editor. **Previous Employment:** Community Development Director & Assistant City Manager, City of San Mateo, California. Planning Director, Town of Corte Madera, California. **Professional & Volunteer Affiliations:** State Bar of California. American Bar Association, Section on State and Local Government. Fellow, American Institute of Certified Planners. Member, Urban Land Institute. Member, Association of Environmental Professionals.

**ERICA WILLIAMS ORCHARTON**

**Education**: B.A., Occidental College. J.D., University of Southern California Law School (Member, Interdisciplinary Law Journal; Invitee, Hale Moot Court; Recipient, Adam Freeman Scott Memorial Grant).
**Previous Employment**: Affordable Housing Associates, Berkeley, CA, Director of Operations. **Professional and Volunteer Affiliations**: State Bar of California. Former Board Member, Satellite Affordable Housing Associates.

**LUIS A. RODRIGUEZ**

**Education:** B.A., Sociology University of California, Los Angeles. M.A., Social Sciences, University of Chicago. J.D. from University of California, Los Angeles, School of Law. Drown Fellowship, Public Interest Law Fellowship, Managing Editor of the *Chicano-Latino Law Review*. **Previous Employment:** Staff Attorney, Economic Development Unit, Legal Aid Foundation of Los Angeles. **Professional & Volunteer Affiliations:** State Bar of California. Board Member, East Bay Housing Organizations.

**RAFAEL YAQUIAN**

**Education:** B.S., Community and Regional Development, University of California, Davis. M.A., Urban Planning, University of California, Los Angeles. Jesse Marvin Unruh Assembly Fellow, California State University of Sacramento Center for California Studies. J.D., University of California, Los Angeles, Epstein Program in Public Interest and Law Policy. **Professional & Volunteer Affiliations:** State Bar of California, Real Property and Taxation Sections. American Bar Association. Member, Forum on Affordable Housing and Community Development Law.

**CELIA W. LEE**

**Education:** B.A., *magna cum laude*, *Phi Beta Kappa*, University of California, Berkeley. J.D., University of Michigan Law School. **Previous Employment:** Deputy City Attorney, Office of the City Attorney for the City and County of San Francisco.

**Professional & Volunteer Affiliations:** State Bar of California. State Bar of New York. Chair, Board of Trustees for Chinese for Affirmative Action/Asian Americans for Civil Rights and Equality (CAA/AACRE). Member, Board of Directors, San Francisco Conservation Corps. Member, Lawyers' Committee for Civil Rights for the San Francisco Bay Area. Past President, Asian American Bar Association of the Greater Bay Area.

**DOLORES BASTIAN DALTON**

**Education:** B.A., Philosophy, University of California at Berkeley. J.D., University of San Francisco School of Law. Comments Editor of the Law Review. **Professional & Volunteer Affiliations:** State Bar of California. Member, The Mediation Society. Member, State Bar of California Litigation Section. Member, Appellate Mediation Panels, CA Court of Appeal, Third and Sixth Districts. Ms. Dalton has been certified by the State Bar of California as specialist in appellate law. Ms. Bastian Dalton is an adjunct professor at the University of San Francisco School of Law.

**JOSHUA J. MASON**

**Education:** B.A., *cum laude*, University of California, Los Angeles. UCLA Community Service Commission Project Director of the Year. Distinguished Bruin Award. Chancellor's Service Award. Charles E. Young Humanitarian Award. Masters in City Planning, University of California, Berkeley. J.D., University of California, Hastings College of the Law. PILP Pro Bono Publico Award. PIC Public Interest Law Certificate. Imelda Rosenthal Bar Scholarship. Equal Justice Works Summer Corps. **Previous Employment:** Staff Attorney, US Department of Housing and Community Development. **Professional & Volunteer Affiliations:** State Bar of California.

**ERIC S. PHILLIPS**

**Education:** B.S., Urban and Regional Studies, Cornell University. J.D., U.C. Berkeley School of Law, Order of the Coif. **Professional & Volunteer Affiliations:** State Bar of California. Member, American Bar Association, Forum on Affordable Housing & Community Development. Member, American Bar Association Section of State and Local Government Law.

**ELIZABETH R. KLUECK**

**Education:** B.A., *cum laude*, University of California, Berkeley. J.D., University of California, Davis. The Order of Barristers; CEB/UC Award for Excellence in Legal Writing; Competitions Chair, UC Davis Moot Court Board; Executive Board of Directors, King Hall Legal Foundation; American Inns of Court Scholarship

Recipient; Finalist, Martin Luther King, Jr. Public Service Award. **Professional & Volunteer Affiliations:** State Bar of California.

**JEFFREY A. STREIFFER**

**Education:** B.A., Earlham College, *phi beta kappa*. J.D., Hamline University School of Law. **Previous Employment:** Senior Counsel, US Department of Agriculture; Board Member, SPIRE Credit Union. **Professional & Volunteer Affiliations:** State Bar of California; State Bar of Minnesota; American Bar Association; Legal Consultant, LegalCORPS; Bankruptcy Attorney, Volunteer Lawyers Network.

**DANIEL S. MAROON**

**Education:** B.A., University of California at Davis. Outstanding Undergraduate Research Award. J.D., University of California, Hastings College of the Law. Staff Editor, Senior Notes Editor, Outstanding Staff Editor Award, Hastings Constitutional Law Quarterly. **Publication:** *Redevelopment in the Golden State: A Study in Plenary State Power Under the California Constitution*, 40 Hastings Const. L. Q. 453 (2013). **Previous Employment:** Associate Attorney, Law Office. **Professional & Volunteer Associations:** State Bar of California, American Bar Association, Alameda County Bar Association, SPUR.

**JUSTIN D. BIGELOW**

**Education:** B.A., Macalester College, Saint Paul, Minnesota, honors thesis. Masters in City Planning, University of California, Berkeley. J.D., *cum laude*, University of California, Hastings College of the Law. Co-author, Best Brief, Justice Baxter Moot Court Competition; Co-Vice President, Hastings Public Interest Law Foundation; National Semifinalist, PACE Environmental Law Moot Court Competition Co-Author, Best Brief at the Justice Baxter Moot Court Competition; Co-Vice President, Hastings Public Interest Law Foundation; National Semifinalist, PACE Environmental Law Moot Court Competition. **Previous Employment:** Mediator, Attorney General's Office of Minnesota. **Professional and Volunteer Affiliations:** State Bar of California. Member, Board of Directors, Livable City.

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**Education:** B.A., University of California, Los Angeles. J.D., University of California, Irvine. **Previous Employment**: Special Assistant to Assistant Secretary for Policy, Management and Budget, United States Department of the Interior. **Professional and Volunteer Affiliations:** State Bar of California.

**AILEEN NGUYEN**

**Education:** B.A., *phi eta sigma*, Emory University, Atlanta, Georgia. J.D., Georgetown University Law Center. **Professional and Volunteer Affiliations:** State Bar of California.

PHILLIPPI ENGINEERING, INC.

(http://phillippieng.com/)

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# ABOUT PHILLIPPI ENGINEERING, INC.

Proudly Serving Vacaville & Solano County, CA

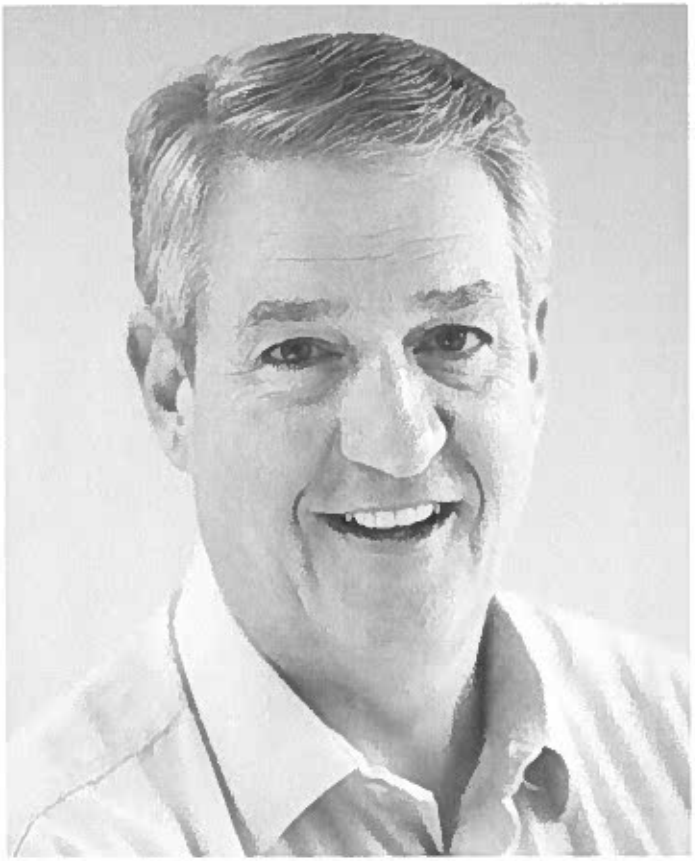
Phillippi Engineering Inc. (PEI) was founded in 1983 by Tom Phillippi. PEI has since grown into one of Solano County's largest civil engineering and surveying firms. We are proud to have been a part of major **commercial projects (/projects/)** in Northern California, including the Nut Tree Redevelopment Project, and major residential master planned communities, such as Southtown, Cheyenne, Vanden Meadows, Brighton Landing and The Farm at Alamo Creek. PEI has also been involved in the Northpointe and Quinn Crossing Apartment projects.

Our firm is comprised of professional civil engineers and land surveyors, skilled technicians and support staff. We are creative problem solvers dedicated to **professional service (/services/)** and are always concerned for the bottom line. Our experience in surveying and civil design has lead to the successful implementation of a number of different projects. We pride ourselves on responding promptly to issues that arise and addressing them with innovation and in a cost-effective, expeditious manner.

**AWARDS**

- 2008 Business of the Year by the **Vacaville Chamber of Commerce (http://www.vacavillechamber.com/)**
- 2008 Spirit of Solano Award for Outstanding Community Service
- 2013 Community Volunteers of the Year (Tom & Sylvia) by the Vacaville Opportunity House

# MEET OUR TEAM



**THOMAS PHILLIPPI, RCE**
President of Phillippi Engineering Inc.

**VINCE BOSSI, PE**
Engineering Manager

## SEAN TULLY

LS Survey Manager

## THOMAS PHILLIPPI, RCE

President of Phillippi Engineering Inc.

Thomas graduated from Cal Poly State University, San Luis Obispo in 1977 and has 40 years of experience in major public works and land development projects. Prior to founding PEI in 1983, Thomas worked for Contra Costa County from 1977-79 and then in the private sector from 1979-83. His expertise includes land planning and entitlement preparation and processing for large-scale commercial centers and residential communities. Centered in Vacaville, Tom has used his creative problem solving skills to manage projects throughout Solano County and Northern California.

## VINCE BOSSI, PE

Engineering Manager

Vince has been a part of the design and management of numerous projects here at Phillippi Engineering since joining our team in 2003. Vince is involved from conceptual planning through final design and construction of private and public improvements. His experience includes the planning, design and management of commercial and industrial developments, subdivisions, roadways, stormwater collection, conveyance and detention systems, water systems, sanitary sewers, preparation of contract documents, hydrology and sewer reports, master plan and infrastructure studies, preparation of proposals, construction drawings, construction administration and cost estimating. As the Engineering Department Manager, Vince will gladly help you keep your project on track from beginning to end.

## SEAN TULLY

LS Survey Manager

Sean began his surveying career with Phillippi Engineering in 2001. During his first six years, Sean received his Land Surveyor in Training Certificate, advanced into the Associate Surveyor position and obtained his Land Surveyor License. After obtaining his Professional Land Surveyor License, Sean served as a Survey Project Manager / Crew Chief for many years and was directly in charge of all field surveying projects. He eventually developed his own business while working on all aspects of mapping and field surveying on his own. Sean has returned to PEI as the Survey Department Manager and is now in charge of all surveying services offered at our firm. Sean will gladly assist with any type of surveying that you or your business may need to complete your project on time and under budget.

To learn more about our experienced staff or to schedule a FREE initial consultation, **contact us (/contact-us/)** today by calling **(707) 451-6556 (tel:+1-707-451-6556)**. We look forward to hearing from you!

PHILLIPPI ENGINEERING, INC.

425 Merchant St. Suite 200
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HOURS

Monday - Friday:
8 a.m. - 5 p.m.

**(http://bit.ly/2kW86MS)**

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PHILLIPPI ENGINEERING, INC.

(http://phillippieng.com/)

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# SERVICES

## Civil Engineering & Land Surveying for Vacaville & Solano County, CA

At Phillippi Engineering, Inc., we provide civil engineering design services for a variety of commercial, residential and industrial projects across Northern California. Our areas of expertise include land planning, boundary and topographic surveying, entitlement preparation and processing, infrastructure design and construction staking. Our team of **trained professionals (/about-us/)** strives to keep every project on schedule and under budget. You can trust us to see **projects (/projects/)** through from start to finish.

## CIVIL ENGINEERING

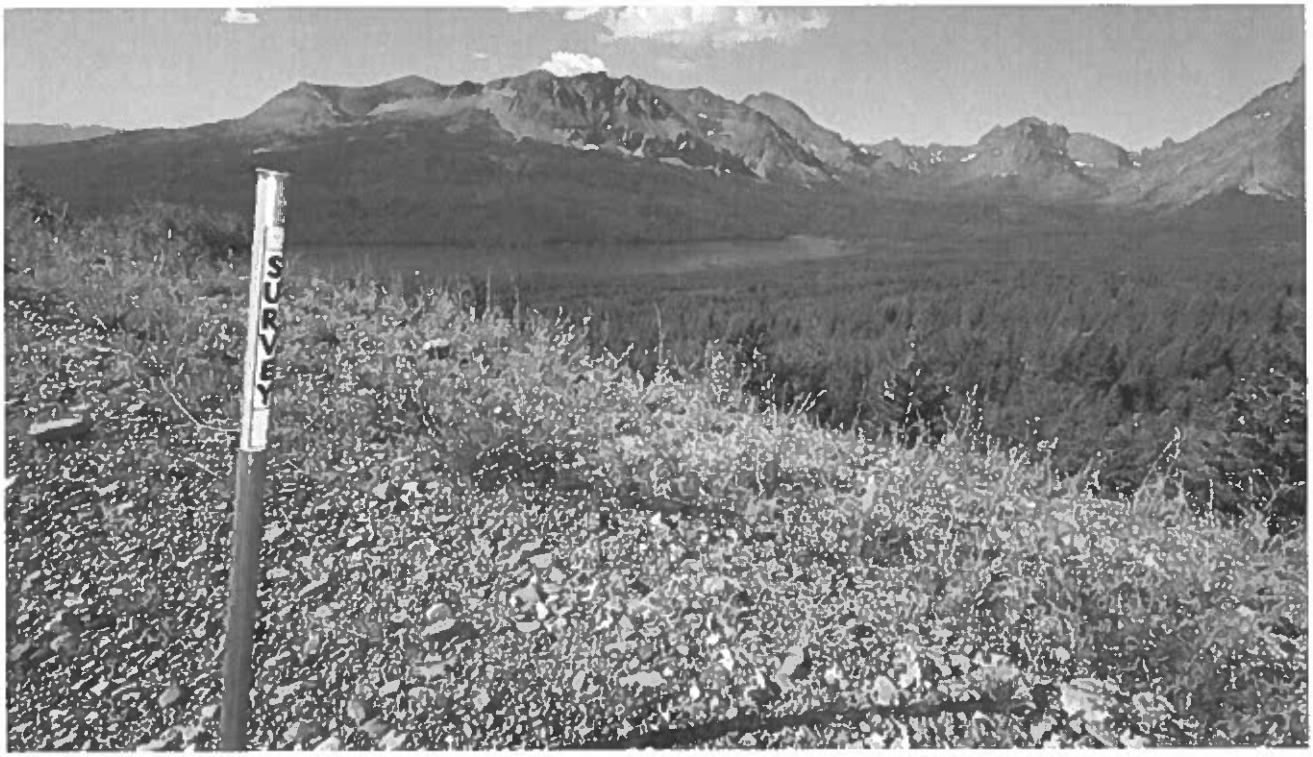
Our firm offers innovative and creative solutions that focus on cost-saving measures and sustainability. We work with our clients to achieve their goals while meeting local, state and federal guidelines. Our owners are proud to have professional civil engineers on staff and state-of-the-art equipment to provide clients with exactly what they're looking for. We continually educate ourselves on the latest and most advanced site design processes to minimize environmental impact.

- Land Use Planning and Entitlements
- Site Development
- Feasibility Studies
- Specific Plans
- Rezoning and General Plan Amendments
- Tentative Map, Parcel Map, Final Maps & Lot Line Adjustments
- ALTA Surveys
- Grading Design
- Sewer System Design
- Water System Design

- Irrigation System Design
- Drainage Studies

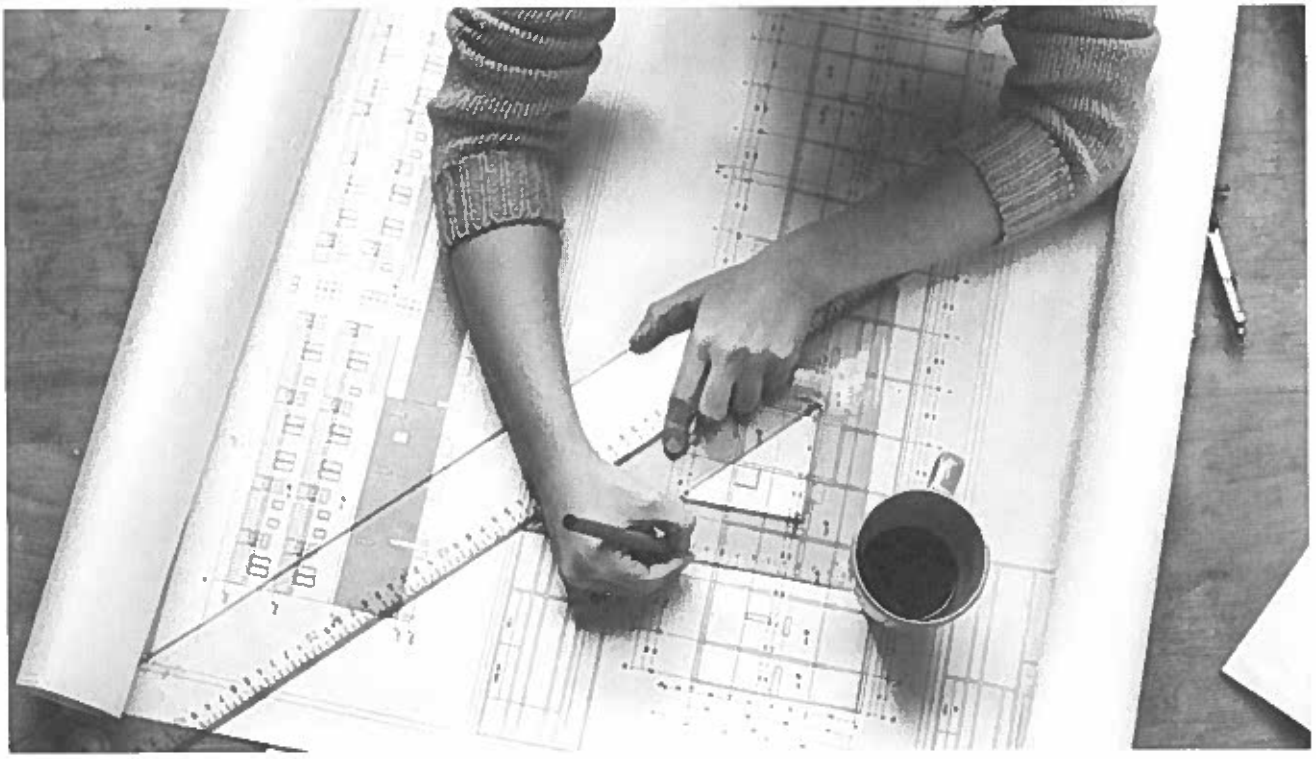
## LAND PLANNING & SURVEYING

With every new project, we not only get to know the lay of the land, but we become more familiar with our clients. Our firm will take the time to understand your specific needs to ensure your project unfolds exactly how you imagined. Using the latest tools and technology, we are equipped to precisely map and measure residential, commercial and industrial land. We provide the planning and surveying services you need to take the next big step in your project.



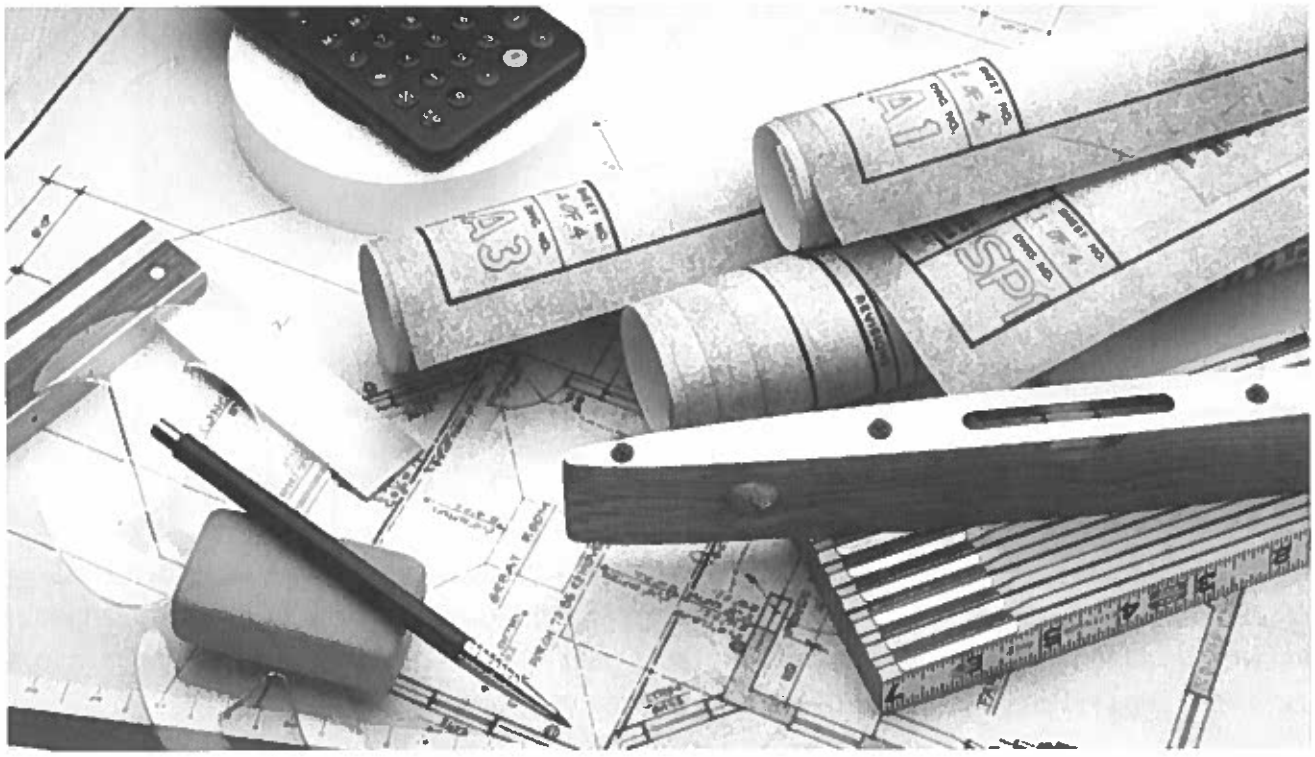

## BOUNDARY & TOPOGRAPHIC SURVEYING

Boundary surveys establish a property's boundary lines and are usually performed to obtain building permits, resolve property disputes and for erecting fences. A topographic survey is done to determine the configuration of the Earth's surface and locate land features including embankments, trees, contours, ditches, watercourses, roads and more. Phillippi Engineering has the ability to unravel the worst boundary descriptions and find out where a property is supposed to be located according to its original deed.



## ENTITLEMENT PREPARATION & PROCESSING

Entitlement is the legal process of obtaining discretionary approvals for the right to develop or construct on a particular property. We prepare entitlement applications and provide professional guidance through the entire entitlement process. Trust our team to thoroughly and accurately complete your entitlement documents, which results in quicker reviews and approvals.



## INFRASTRUCTURE DESIGN

Phillippi Engineering offers a wide range of design, planning and permitting services for residential, commercial and industrial projects. Our engineers have the skills and know-how to develop practical, cost-effective designs that meet the vision of our client. We believe a creative yet technically sound approach is crucial to the success of a civil design project.

HOURS

Monday - Friday:
8 a.m. - 5 p.m.

**(http://bit.ly/2kW86MS)**

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SRG Architects is a full service architecture firm based in Oakland with over 25 years experience in various architecture markets throughout the State of California and Hawaii. We specialize in residential, multi-family residential, affordable housing, commercial, mixed-use, and restaurant design projects. Bringing extensive experience working with developers, governing bodies, design consultants, and internal staff, we usher complex projects to extraordinary fruition under sometimes aggressive schedules and budgets. With a passionate understanding of the significant role architecture plays in the sustainability of the planet, we engage our decades of experience with green strategies, technologies, designs, and materials to create structures that integrate function and design with ecological purpose.

SRG Architects is known for exceptional experience with and adaptability to projects of differing scale—from expanding homes for growing families to 660 unit multi-family dwellings, from creating popular neighborhood eateries to destination restaurants with multi-million dollar construction budgets. SRG brings the efficiency and management sophistication required in large scale developments, as well as the flexibility and careful client consideration essential to smaller ventures, to every project.

Principal Architect Scott R. Galka has built his experience from within several award-winning American architecture firms, as well as producing work independently as a licensed Architect since 2002. He launched his career after completing his Bachelor of Arts from UC Berkeley's College of Environmental Design and Master's Degree in Architecture from Rensselaer Polytechnic Institute.

# Architectural Qualifications

## Full Circle Bio

**Serena Trachta**, Architect and Partner in change of management, **Full Circle Architecture, LLP,** has guided projects from conceptualization, public approvals and plan preparation through construction administration, working in the context of a variety of project ownership, financing and project delivery models, with special emphasis on sustainability, accessibility, moisture management assemblies and green roofs, project management and contract administration. She has been actively involved in securing planning and building department approvals for a variety of residential developments including high-density urban infill, townhomes, rental apartments, for-sale condominiums, small commercial buildings and custom dwellings.

Serena's experience studying in Denmark focused her interest on medium density housing models that extend beyond individual dwelling units to encompass the spaces between buildings and community design with supportive services to create sustainable neighborhoods. Closer to home, travels in native lands of the Pacific Northwest and American Southwest have illustrated lessons in regionalism, economy, focusing resources effectively, prudent space planning and integrating opportunities for personalization to create appropriate designs that accommodate multiple users.

Serena's management skills are informed by her experiences living in a variety of cultures and climates, including New Mexico, Louisiana, Massachusetts, Southern California, Copenhagen, Denmark, Vancouver, Canada and the San Francisco Bay Area. Serena's consensus-building management style and communication skills, built from a lifetime's immersion in diverse cultures, have inspired her architectural work for 20 years.

Serena has successfully stewarded projects from design through construction administration utilizing the California Building Code, which is based on the International Building Code. An intimate understanding of the challenges and opportunities inherent in code compliance for multi-family projects lends a degree of flexibility to maximize value in support of the project's sustainability, habitability, operations and maintenance goals. Proficient with integrated 2D / 3D CAD systems, Serena uses tools including BIM to model projects in advance of construction to facilitate design and communication as well as trouble-shoot conflicts and coordinate with the consultant team.

Presenting a relaxed manner, coordinating details, and managing the stakeholders to form a cohesive team, Serena has consistently demonstrated an ability to steward projects to successful completion. Project sustainability, whether at the macro-scale with an urban infill program or the micro-scale with indoor air quality plays a structural role organizing her process. Serena volunteers extensively to encourage connectivity and build community.

fullcircle architecture

# Architectural Qualifications

## SELECTED ARCHITECTURAL EXPERIENCE

- **Sonoma Estates Affordable For-Sale Homes:** Vallejo, CA
- **Howie Harp Plaza Affordable Housing Renovation:** Oakland, CA
- **Hunters Point Shipyard Condominiums:** San Francisco, CA (Assoc. Arch)
- **Alura at Washington Square Townhomes:** West Sacramento, CA
- **North Beach Place Affordable Seniors' Housing**, San Francisco, CA
- **Armstrong Place Affordable Senior:** San Francisco, CA (Assoc. Arch)
- **Mission Walk Affordable Family:** San Francisco, CA (Assoc. Arch)
- **San Francisco Housing Authority As-Needed Services:** San Francisco, CA
- **1000 Fourth Street Affordable Housing:** San Francisco, CA (Assoc. Arch)
- **Tutu School Tenant Improvement:** San Francisco, CA
- **Budget Rental Car Tenant Improvement:** San Francisco, CA
- **Digg Corporate Offices Tenant Improvement:** San Francisco, CA
- **Foxwood Family Apartments, Recreation & Maintenance Facilities:** San Jose, CA
- **The Woods Leasing and Administration Office Facilities:** San Jose, CA
- **Silverwood Condominiums:** Palo Alto, CA
- **The Haven Emergency Shelter:** San Jose, CA
- **Custom Single Family New Construction and Renovations,** San Francisco, Novato, Palo Alto, Woodside, San Mateo County, Richmond, and Vancouver

## SELECTED CONSULTING EXPERIENCE

- **Heritage Point Affordable Family Housing,** Richmond, CA (Development)
- **Code Consulting,** Historical and Model Code Review, Expert Testimony
- **Armstrong Place Affordable Senior:** San Francisco, CA (LEED, Cx)
- **Mission Walk Affordable Family:** San Francisco, CA (LEED, Cx)
- **Rotary Dover House:** Oakland, CA (Development)
- **Rotary Ashton House:** Oakland, CA (Development)
- **Rotary Toler Subdivision:** Oakland, CA (Development)

## EDUCATION, REGISTRATION, CERTIFICATIONS + AFFILIATIONS

- Licensed Architect, California C26069
- Licensed Architect, British Columbia Canada L4033
- NCARB Certified Architect, 816459
- LEED Accredited Professional (LEED AP)
- Former Chairman, House Building Committee, Oakland Rotary #3
- Former Board of Directors, Oakland Rotary
- Member US Green Building Council (USGBC)
- Bachelor of Architecture, emphasis in Arch. Eng., CAL Poly San Luis Obispo
- University of Copenhagen, Denmark, Accredited Architectural Studies

# DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

**(As required by the Civil Code)**
**(C.A.R. Form AD, Revised 12/21)**

☐ (If checked) This form is being provided in connection with a transaction for a leasehold interest exceeding one year as per Civil Code section 2079.13(j), (k), and (l).

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

**SELLER'S AGENT**

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller: A Fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Seller.

To the Buyer and the Seller:

(a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
(b) A duty of honest and fair dealing and good faith.
(c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

**BUYER'S AGENT**

A Buyer's agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer: A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Buyer.

To the Buyer and the Seller:

(a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
(b) A duty of honest and fair dealing and good faith.
(c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

**AGENT REPRESENTING BOTH SELLER AND BUYER**

A real estate agent, either acting directly or through one or more salespersons and broker associates, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer.

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

(a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.
(b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, a dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the Buyer's or Seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the Seller's willingness to accept a price less than the listing price or the Buyer's willingness to pay a price greater than the price offered.

**SELLER AND BUYER RESPONSIBILITIES**

Either the purchase agreement or a separate document will contain a confirmation of which agent is representing you and whether that agent is representing you exclusively in the transaction or acting as a dual agent. Please pay attention to that confirmation to make sure it accurately reflects your understanding of your agent's role.

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

If you are a Buyer, you have the duty to exercise reasonable care to protect yourself, including as to those facts about the property which are known to you or within your diligent attention and observation.

Both Sellers and Buyers should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. **This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THE PORTIONS OF THE CIVIL CODE PRINTED ON THE SECOND PAGE.**

☐ Buyer ☐ Seller ☐ Landlord ☐ Tenant _____ Date _____

☐ Buyer ☐ Seller ☐ Landlord ☐ Tenant _____ Date _____

Agent _____ DRE Lic. # _____
Real Estate Broker (Firm)

By _____ DRE Lic. # _____ Date _____
(Salesperson or Broker-Associate, if any)

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## CIVIL CODE SECTIONS 2079.13 – 2079.24 (2079.16 APPEARS ON THE FRONT)

2079.13. As used in Sections 2079.7 and 2079.14 to 2079.24, inclusive, the following terms have the following meanings: **(a)** "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. The agent in the real property transaction bears responsibility for that agent's salespersons or broker associates who perform as agents of the agent. When a salesperson or broker associate owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the salesperson or broker associate functions. **(b)** "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee of real property. **(c)** "Commercial real property" means all real property in the state, except (1) single-family residential real property, (2) dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, (3) a mobilehome, as defined in Section 798.3, (4) vacant land, or (5) a recreational vehicle, as defined in Section 799.29. **(d)** "Dual agent" means an agent acting, either directly or through a salesperson or broker associate, as agent for both the seller and the buyer in a real property transaction. **(e)** "Listing agreement" means a written contract between a seller of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer, including rendering other services for which a real estate license is required to the seller pursuant to the terms of the agreement. **(f)** "Seller's agent" means a person who has obtained a listing of real property to act as an agent for compensation. **(g)** "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the seller's agent. **(h)** "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. **(i)** "Offer to purchase" means a written contract executed by a buyer acting through a buyer's agent that becomes the contract for the sale of the real property upon acceptance by the seller. **(j)** "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property, and includes (1) single-family residential property, (2) multiunit residential property with more than four dwelling units, (3) commercial real property, (4) vacant land, (5) a ground lease coupled with improvements, or (6) a manufactured home as defined in Section 18007 of the Health and Safety Code, or a mobilehome as defined in Section 18008 of the Health and Safety Code, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. **(k)** "Real property transaction" means a transaction for the sale of real property in which an agent is retained by a buyer, seller, or both a buyer and seller to act in that transaction, and includes a listing or an offer to purchase. **(l)** "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration. **(m)** "Seller" means the transferor in a real property transaction and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor of real property. **(n)** "Buyer's agent" means an agent who represents a buyer in a real property transaction.

**2079.14.** A seller's agent and buyer's agent shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and shall obtain a signed acknowledgment of receipt from that seller and buyer, except as provided in Section 2079.15, as follows: **(a)** The seller's agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. **(b)** The buyer's agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase. If the offer to purchase is not prepared by the buyer's agent, the buyer's agent shall present the disclosure form to the buyer not later than the next business day after receiving the offer to purchase from the buyer.

**2079.15.** In any circumstance in which the seller or buyer refuses to sign an acknowledgment of receipt pursuant to Section 2079.14, the agent shall set forth, sign, and date a written declaration of the facts of the refusal.

**2079.16** Reproduced on Page 1 of this AD form.

**2079.17(a)** As soon as practicable, the buyer's agent shall disclose to the buyer and seller whether the agent is acting in the real property transaction as the buyer's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the buyer's agent prior to or coincident with execution of that contract by the buyer and the seller, respectively. **(b)** As soon as practicable, the seller's agent shall disclose to the seller whether the seller's agent is acting in the real property transaction as the seller's agent, or as a dual agent representing both the buyer and seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller and the seller's agent prior to or coincident with the execution of that contract by the seller.

CONFIRMATION: **(c)** The confirmation required by subdivisions (a) and (b) shall be in the following form:

Seller's Brokerage Firm DO NOT COMPLETE. SAMPLE ONLY License Number _____
Is the broker of (check one): ☐ the seller; or ☐ both the buyer and seller. (dual agent)
Seller's Agent DO NOT COMPLETE. SAMPLE ONLY License Number _____
Is (check one): ☐ the Seller's Agent. (salesperson or broker associate) ☐ both the Buyer's and Seller's Agent. (dual agent)
Buyer's Brokerage Firm DO NOT COMPLETE. SAMPLE ONLY License Number _____
Is the broker of (check one): ☐ the buyer; or ☐ both the buyer and seller. (dual agent)
Buyer's Agent DO NOT COMPLETE. SAMPLE ONLY License Number _____
Is (check one): ☐ the Buyer's Agent. (salesperson or broker associate) ☐ both the Buyer's and Seller's Agent. (dual agent)

**(d)** The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14. An agent's duty to provide disclosure and confirmation of representation in this section may be performed by a real estate salesperson or broker associate affiliated with that broker.

**2079.18** (Repealed pursuant to AB-1289)

**2079.19** The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.

**2079.20** Nothing in this article prevents an agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with.

**2079.21 (a)** A dual agent may not, without the express permission of the seller, disclose to the buyer any confidential information obtained from the seller. **(b)** A dual agent may not, without the express permission of the buyer, disclose to the seller any confidential information obtained from the buyer. **(c)** "Confidential information" means facts relating to the client's financial position, motivations, bargaining position, or other personal information that may impact price, such as the seller is willing to accept a price less than the listing price or the buyer is willing to pay a price greater than the price offered. **(d)** This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

**2079.22** Nothing in this article precludes a seller's agent from also being a buyer's agent. If a seller or buyer in a transaction chooses to not be represented by an agent, that does not, of itself, make that agent a dual agent.

**2079.23** A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship.

**2079.24** Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees or to relieve agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.

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CALIFORNIA ASSOCIATION OF REALTORS®

# FAIR HOUSING & DISCRIMINATION ADVISORY

(C.A.R. Form FHDA, 10/20)

1. **EQUAL ACCESS TO HOUSING FOR ALL:** All housing in California is available to all persons. Discrimination as noted below is prohibited by law. Resources are available for those who have experienced unequal treatment under the law.
2. **FEDERAL AND STATE LAWS PROHIBIT DISCRIMINATION AGAINST IDENTIFIED PROTECTED CLASSES:**
   - **A.** FEDERAL FAIR HOUSING ACT ("FHA") Title VIII of the Civil Rights Act; 42 U.S.C. §§ 3601-3619; Prohibits discrimination in sales, rental or financing of residential housing against persons in protected classes;
   - **B.** CALIFORNIA FAIR EMPLOYMENT AND HOUSING ACT ("FEHA") California Government Code ("GC") §§12900-12996,12955; 2 California Code of Regulations ("CCR") §§12005-12271; Prohibits discrimination in sales, rental or financing of housing opportunity against persons in protected classes by providers of housing accommodation and financial assistance services as related to housing;
   - **C.** CALIFORNIA UNRUH CIVIL RIGHTS ACT ("Unruh") California Civil Code ("CC") §51; Prohibits business establishments from discriminating against, and requires full and equal accommodation, advantages, facilities, privileges, and services to persons in protected classes;
   - **D.** AMERICANS WITH DISABILITIES ACT ("ADA") 42 U.S.C. §§12181-12189; Title III of the ADA prohibits discrimination based on disability in public accommodations; and
   - **E.** OTHER FAIR HOUSING LAWS: Section 504 of Rehabilitation Act of 1973 29 U.S.C. §794; Ralph Civil Rights Act CC §51.7.; California Disabled Persons Act; CC §§54-55.32; any local city or county fair housing ordinances, as applicable.
3. **POTENTIAL LEGAL REMEDIES FOR UNLAWFUL DISCRIMINATION: Violations of fair housing laws may result in monetary civil fines, injunctive relief, compensatory and/or punitive damages, and attorney fees and costs.**
4. **PROTECTED CLASSES/CHARACTERISTICS:** Whether specified in Federal or State law or both, discrimination against persons if based on that person's belonging to, association with, or perceived membership to, any of the following classes or categories is prohibited.

| | | | | |
|---|---|---|---|---|
| Race | Color | Ancestry | National Origin | Religion |
| Sex | Sexual Orientation | Gender | Gender Identity | Gender Expression |
| Marital Status | Familial Status (family with a child or children under 18) | Source of Income (e.g., Section 8 Voucher) | Disability (Mental & Physical) | Medical Condition |
| Citizenship | Primary Language | Immigration Status | Military/Veteran Status | Age |
| Criminal History (non-relevant convictions) | | Any arbitrary characteristic | | |

5. **THE CALIFORNIA DEPARTMENT OF REAL ESTATE REQUIRES TRAINING AND SUPERVISION TO PREVENT HOUSING DISCRIMINATION BY REAL ESTATE LICENSEES:**
   - **A.** California Business & Professions Code ("B&PC") §10170.5(a)(4) requires 3 hours of training on fair housing for DRE license renewal; Real Estate Regulation §2725(f) requires brokers who oversee salespersons to be familiar with the requirements of federal and state laws relating to the prohibition of discrimination.
   - **B.** Violation of DRE regulations or real estate laws against housing discrimination by a real estate licensee may result in the loss or suspension of the licensee's real estate license. B&PC §10177(l)(1); 10 CCR §2780
6. **REALTOR® ORGANIZATIONS PROHIBIT DISCRIMINATION:** NAR Code of Ethics Article 10 prohibits discrimination in employment practices or in rendering real estate license services against any person because of race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity by REALTORS®.
7. **WHO IS REQUIRED TO COMPLY WITH FAIR HOUSING LAWS?**
   Below is a non-exclusive list of providers of housing accommodations or financial assistance services as related to housing who are most likely to be encountered in a housing transaction and who must comply with fair housing laws.
   - Sellers
   - Real estate licensees
   - Mobilehome parks
   - Insurance companies
   - Landlords
   - Real estate brokerage firms
   - Homeowners Associations ("HOAs");
   - Government housing services
   - Sublessors
   - Property managers
   - Banks and Mortgage lenders
8. **EXAMPLES OF CONDUCT THAT MAY NOT BE MOTIVATED BY DISCRIMINATORY INTENT BUT COULD HAVE A DISCRIMINATORY EFFECT:**
   - **A.** Prior to acceptance of an offer, asking for or offering buyer personal information or letters from the buyer, especially with photos. Those types of documents may inadvertently reveal, or be perceived as revealing, protected status information thereby increasing the risk of **(i)** actual or unconscious bias, and **(ii)** potential legal claims against sellers and others by prospective buyers whose offers were rejected.
   - **B.** Refusing to rent **(i)** an upper level unit to an elderly tenant out of concern for the tenant's ability to navigate stairs or **(ii)** a house with a pool to a person with young children out of concern for the children's safety.
9. **EXAMPLES OF UNLAWFUL OR IMPROPER CONDUCT BASED ON A PROTECTED CLASS OR CHARACTERISTIC:**
   - **A.** Refusing to negotiate for a sale, rental or financing or otherwise make a housing opportunity unavailable; failing to present offers due to a person's protected status;
   - **B.** Refusing or failing to show, rent, sell or finance housing; "channeling" or "steering" a prospective buyer or tenant to or away from a particular area due to that person's protected status or because of the racial, religious or ethnic composition of the neighborhood;
   - **C.** "Blockbusting" or causing "panic selling" by inducing a listing, sale or rental based on the grounds of loss of value of property, increase in crime, or decline in school quality due to the entry or prospective entry of people in protected categories into the neighborhood;
   - **D.** Making any statement or advertisement that indicates any preference, limitation, or discrimination;

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E. Inquiring about protected characteristics (such as asking tenant applicants if they are married, or prospective purchasers if they have children or are planning to start a family);
F. Using criminal history information before otherwise affirming eligibility, and without a legally sufficient justification;
G. Failing to assess financial standards based on the portion of the income responsible by a tenant who receives government subsidies (such as basing an otherwise neutral rent to income ratio on the whole rent rather than just the part of rent that is the tenant's responsibility);
H. Denying a home loan or homeowner's insurance;
I. Offering inferior terms, conditions, privileges, facilities or services;
J. Using different qualification criteria or procedures for sale or rental of housing such as income standards, application requirements, application fees, credit analyses, sale or rental approval procedures or other requirements;
K. Harassing a person;
L. Taking an adverse action based on protected characteristics;
M. Refusing to permit a reasonable modification to the premises, as requested by a person with a disability (such as refusing to allow a wheel chair bound tenant to install, at their expense, a ramp over front or rear steps, or refusing to allow a physically disabled tenant from installing, at their own expense, grab bars in a shower or bathtub);
N. Refusing to make reasonable accommodation in policies, rules, practices, or services for a person with a disability (such as the following, if an actual or prospective tenant with a disability has a service animal or support animal):
   **(i)** Failing to allow that person to keep the service animal or emotional support animal in rental property,
   **(ii)** Charging that person higher rent or increased security deposit, or
   **(iii)** Failing to show rental or sale property to that person who is accompanied by the service animal or support animal, and;
O. Retaliating for asserting rights under fair housing laws.

**10. EXAMPLES OF POSITIVE PRACTICES:**
A. Real estate licensees working with buyers or tenants should apply the same objective property selection criteria, such as location/neighborhood, property features, and price range and other considerations, to all prospects.
B. Real estate licensees should provide complete and objective information to all clients based on the client's selection criteria.
C. Real estate licensees should provide the same professional courtesy in responding to inquiries, sharing of information and offers of assistance to all clients and prospects.
D. Housing providers should not make any statement or advertisement that directly or indirectly implies preference, limitation, or discrimination regarding any protected characteristic (such as "no children" or "English-speakers only").
E. Housing providers should use a selection process relying on objective information about a prospective buyer's offer or tenant's application and not seek any information that may disclose any protected characteristics (such as using a summary document, e.g. C.A.R. Form SUM-MO, to compare multiple offers on objective terms).

**11. FAIR HOUSING RESOURCES**: If you have questions about your obligations or rights under the Fair Housing laws, or you think you have been discriminated against, you may want to contact one or more of the sources listed below to discuss what you can do about it, and whether the resource is able to assist you.
A. Federal: **https://www.hud.gov/program_offices/fair_housing_equal_opp**
B. State: **https://www.dfeh.ca.gov/housing/**
C. Local: local Fair Housing Council office (non-profit, free service)
D. DRE: **https://www.dre.ca.gov/Consumers/FileComplaint.html**
E. Local Association of REALTORS®. List available at: **https://www.car.org/en/contactus/rosters/localassociationroster**.
F. Any qualified California fair housing attorney, or if applicable, landlord-tenant attorney.

**12. LIMITED EXCEPTIONS TO FAIR HOUSING REQUIREMENTS: No person should rely on any exception below without first seeking legal advice about whether the exception applies to their situation. Real estate licensees are not qualified to provide advice on the application of these exceptions.**
A. Legally compliant senior housing is exempt from FHA, FEHA and Unruh as related to age or familial status only;
B. An owner of a single-family residence who resides at the property with one lodger may be exempt from FEHA for rental purposes, PROVIDED **no real estate licensee is involved** in the rental;
C. An owner of a single-family residence may be exempt from FHA for sale or rental purposes, PROVIDED **(i) no real estate licensee is involved** in the sale or rental and **(ii)** no discriminatory advertising is used, and **(iii)** the owner owns no more than three single-family residences. Other restrictions apply;
D. An owner of residential property with one to four units who resides at the property, may be exempt from FHA for rental purposes, PROVIDED **no real estate licensee is involved** in the rental; and
E. Both FHA and FEHA do not apply to roommate situations. See, *Fair Housing Council v Roommate.com LLC*, 666 F.3d 1216 (2019).
F. Since both the 14th Amendment of the U.S. Constitution and the Civil Rights Act of 1866 prohibit discrimination based on race; the FHA and FEHA exemptions do not extend to discrimination based on race.

Buyer/Tenant and Seller/Landlord have read, understand and acknowledge receipt of a copy of this Fair Housing & Discrimination Advisory.

Buyer/Tenant _____ Date _____

Buyer/Tenant _____ Date _____

Seller/Landlord _____ Date _____

Seller/Landlord _____ Date _____

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CALIFORNIA ASSOCIATION OF REALTORS®

# WIRE FRAUD AND ELECTRONIC FUNDS TRANSFER ADVISORY

**(C.A.R. Form WFA, Revised 12/21)**

Property Address: ***Sonoma Estates, Vallejo, CA*** ("Property").

## WIRE FRAUD AND ELECTRONIC FUNDS TRANSFERS ADVISORY:

The ability to communicate and conduct business electronically is a convenience and reality in nearly all parts of our lives. At the same time, it has provided hackers and scammers new opportunities for their criminal activity. Many businesses have been victimized and the real estate business is no exception.

While wiring or electronically transferring funds is a welcome convenience, we all need to exercise extreme caution. Emails attempting to induce fraudulent wire transfers have been received and have appeared to be legitimate. Reports indicate that some hackers have been able to intercept emailed transfer instructions, obtain account information and, by altering some of the data, redirect the funds to a different account. It also appears that some hackers were able to provide false phone numbers for verifying the wiring or funds transfer instructions. In those cases, the victim called the number provided to confirm the instructions, and then unwittingly authorized a transfer to somewhere or someone other than the intended recipient.

**ACCORDINGLY, YOU ARE ADVISED:**

1. **Obtain phone numbers and account numbers only from Escrow Officers, Property Managers, or Landlords at the beginning of the transaction.**
2. **DO NOT EVER WIRE OR ELECTRONICALLY TRANSFER FUNDS PRIOR TO CALLING TO CONFIRM THE TRANSFER INSTRUCTIONS. ONLY USE A PHONE NUMBER YOU WERE PROVIDED PREVIOUSLY. Do not use any different phone number or account number included in any emailed transfer instructions.**
3. **Orally confirm the transfer instruction is legitimate and confirm the bank routing number, account numbers and other codes before taking steps to transfer the funds.**
4. **Avoid sending personal information in emails or texts. Provide such information in person or over the telephone directly to the Escrow Officer, Property Manager, or Landlord.**
5. **Take steps to secure the system you are using with your email account. These steps include creating strong passwords, using secure WiFi, and not using free services.**

If you believe you have received questionable or suspicious wire or funds transfer instructions, immediately notify your bank, and the other party, and the Escrow Office, Landlord, or Property Manager. The sources below, as well as others, can also provide information:

Federal Bureau of Investigation: https://www.fbi.gov/; the FBI's IC3 at www.ic3.gov; or 310-477-6565

National White Collar Crime Center: http://www.nw3c.org/

On Guard Online: https://www.onguardonline.gov/

**NOTE: There are existing alternatives to electronic and wired fund transfers such as cashier's checks. By signing below, the undersigned acknowledge that each has read, understands and has received a copy of this Wire Fraud and Electronic Funds Transfer Advisory.**

Buyer/Tenant _____ Date _____

Buyer/Tenant _____ Date _____

Seller/Landlord _____ Date _____

Seller/Landlord _____ Date _____

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CALIFORNIA ASSOCIATION OF REALTORS®

# NEW CONSTRUCTION PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

**(C.A.R. FORM NCPA, Revised 12/21)**

Date Prepared: _____

1. **OFFER:**
   A. **THIS IS AN OFFER FROM** _____ ("Buyer").
   B. **FOR THE PURCHASE** of the following described real estate together with the dwelling to be erected thereon and further described as: Lot/Unit No. _____, Phase No. _____, Plan/Elevation _____, Tract No. _____, ☐ Standard Subdivision, ☐ Planned Unit Development, ☐ Condominium (☐ which will be created in a Condominium Plan), Recorded in Book _____ of Maps at page _____ Official Records of ***Contra Costa*** County, California, Address ***Sonoma Estates, Vallejo, CA*** ("Property").
   **(Postal/Mailing address may be different from city jurisdiction. Buyer is advised to investigate.)**
   C. **THE TERMS OF THE PURCHASE ARE SPECIFIED BELOW AND ON THE FOLLOWING PAGES.**
   D. **CLOSE OF ESCROW**
      (1) Close Of Escrow shall occur at the earlier of: **(i)** the time specified in **paragraph 4B** ("Closing Date") or **(ii)** no later than **10 Days** after Buyer receives notice from Seller of the issuance of a certificate of occupancy from the applicable local government; Seller shall notify Buyer when work is completed and Seller intends to request the final inspection. If escrow does not close on or before the Closing Date, Seller shall, within **15 Days** after the Closing Date, including all third-party charges (including but not limited to those specified in **paragraphs 40** and **41**) order all of Buyer's deposit refunded to Buyer (except for liquidated damages paid to Seller pursuant to **paragraph 42**, if applicable). In no event shall buyer be obligated to close escrow more than 1 year after Acceptance, unless, after Acceptance, Buyer and Seller agree in writing to a closing date beyond 1 year after Acceptance.
      (2) Seller agrees to complete construction of the Property and file a notice of completion thereon on or before 1 year after Acceptance of this Agreement, provided that Seller shall in no event be responsible for, and such 1 year time period shall be extended for, any delay due to acts of God, strike, labor dispute, or unavailability or shortage of materials necessary to complete construction of the Property.
   E. Buyer and Seller are referred to herein as the "Parties." Brokers and Agents are **not** Parties to this Agreement.
2. **OPTIONAL ITEMS:**
   A. **SELECTIONS:** Buyer agrees to make any color and optional items selections, if applicable, from the choices offered by Seller or Seller's agents within **15 Days** after such choices are offered. If Buyer does not make such selections within such time period, then Seller may make such selections, which shall be final. Buyer shall not have the right to make any such selection which would delay the Close Of Escrow.
   B. (1) **UPGRADES:** If, concurrent with or subsequent to the execution of this Agreement, Buyer requests any changes or extras from Seller, an Options and Upgrades addendum (C.A.R. Form NCOU), a copy of which is provided with this Agreement, shall be executed by Buyer and Seller, and Buyer shall deposit into escrow a cash deposit against the agreed cost of such changes or extras ("Option Deposit"). **Note to Seller: For property sold subject to a public report, you must use the Options and Upgrades amendment provided with this NCPA or for any other options and upgrades amendment you intend to use you must submit them to, and have them be accepted by, the DRE.**
      (2) **INCREASE IN PURCHASE PRICE:** If after execution of this Agreement you select options and upgrades as provided in **paragraph 2B(1)**, the total purchase price will increase by the amount of options and upgrades selected.
      (3) **TREATMENT OF OPTION DEPOSIT:** The Option Deposit shall be held in escrow and be paid to Seller at closing. If escrow does not close and Seller deems Buyer is in default, disposition of the Option Deposit shall be made in accordance with the provisions of **paragraph 42** of this Agreement, unless Otherwise Agreed. In the event of Seller default, any Option Deposit paid pursuant to this paragraph shall be returned to Buyer.
3. **AGENCY:**
   A. **DISCLOSURE:** The Parties each acknowledge receipt of a "Disclosure Regarding Real Estate Agency Relationships" (C.A.R. Form AD) if represented by a real estate licensee. Buyer's Agent is not legally required to give to Seller's Agent the AD form Signed by Buyer. Seller's Agent is not legally obligated to give to Buyer's Agent the AD form Signed by Seller.
   B. **CONFIRMATION:** The following agency relationships are hereby confirmed for this transaction.
   **Seller's Brokerage Firm** _____ License Number _____
   Is the broker of (check one): ☐ the Seller; or ☐ both the Buyer and Seller (Dual Agent).
   Seller's Agent _____ License Number _____
   Is (check one): ☐ the Seller's Agent. (Salesperson or broker associate) ☐ both the Buyer's and Seller's Agent (Dual Agent).
   **Buyer's Brokerage Firm** _____ License Number _____
   Is the broker of (check one): ☐ the Buyer; or ☐ both the Buyer and Seller (Dual Agent).
   Buyer's Agent _____ License Number _____
   Is (check one): ☐ the Buyer's Agent. (Salesperson or broker associate) ☐ both the Buyer's and Seller's Agent (Dual Agent).
   C. ☐ More than one Brokerage represents ☐ Seller, ☐ Buyer. See, Additional Broker Acknowledgement (C.A.R. Form ABA).
   D. **POTENTIALLY COMPETING BUYERS AND SELLERS:** The Parties each acknowledge receipt of a ☒ "Possible Representation of More than One Buyer or Seller - Disclosure and Consent" (C.A.R. Form PRBS).
   E. ☐ (If checked) REFERRAL LICENSEE: _____ (print Firm Name) is a Referral Licensee only and shall be compensated $_____ or _____% of the Purchase Price. Buyer and Seller acknowledge that Referral Licensee has merely introduced Buyer to the Property and does not represent Buyer or Seller in this transaction. Buyer further acknowledges and agrees that any agency relationship with Referral Licensee, whether existing under a written or oral agreement or by implication, is terminated for this Property as of the date of Buyer's signature on this Agreement. Referral Licensee is not a part to this Agreement between Buyer and Seller. **Note to Referral Licensee: Do not confirm agency if checking this paragraph. If you later become an Agent in the transaction add a Confirmation of Real Estate Agency Relationships at that time (C.A.R. Form AC).**

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Property Address: *Sonoma Estates, Vallejo, CA* Date: _____

**4. TERMS OF PURCHASE AND ALLOCATION OF COSTS:** The items in this paragraph are contractual terms of the Agreement. Referenced paragraphs provide further explanation. This form is 18 pages. The Parties are advised to read all 18 pages.

| | Paragraph # | Paragraph Title or Contract Term | Terms and Conditions | Additional Terms |
|---|---|---|---|---|
| A | 6, 6B (cash) | **Purchase Price** | $ _____ (excluding options and upgrades) | ☐ All Cash |
| B | 1D | **Close of Escrow (COE)** | ☐ _____ Days after Acceptance OR on ☐ _____ (date) (mm/dd/yyyy) | |
| C | 45 | **Expiration of Offer** | 3 calendar days after all Buyer Signature(s) or _____ (date) at 5PM or _____ ☐ AM/ ☐ PM | |
| D(1) | 6A(1) | **Initial Deposit Amount** | $ _____ (_____% of purchase price) (% number above is for calculation purposes and is not a contractual term) | Delivered to Escrow (or ☐ Seller) within 3 (or _____) business days after Acceptance by wire transfer **OR** ☐ Personal Check **OR** ☐ _____ |
| D(2) | 6A(2) | ☐ **Increased Deposit** (Money placed into escrow after the initial deposit. Use form DID at time increased deposit is made.) | $ _____ (_____% of purchase price) (% number above is for calculation purposes and is not a contractual term) | Upon removal of all contingencies **OR** ☐ _____ (date) **OR** ☐ _____ |
| D(3) | 2, 6A(4) | ☐ **Option and Upgrade Deposit** (Money placed into escrow for the purchase of optional or upgraded items concurrent with this contract.) | $ _____ | Options and Upgrades purchased after execution of this Agreement may alter Purchase Price. |
| E(1) | 6C(1) | **Loan Amount(s):** First<br>Interest Rate<br>Points<br>If FHA or VA checked, Deliver list of lender required repairs | $ _____ (_____% of purchase price) Fixed rate or ☐ Initial adjustable rate not to exceed _____%<br>Buyer to pay zero points or up to _____% of the loan amount<br>17 (or _____) Days after Acceptance | Conventional or, if checked,<br>☐ FHA ☐ VA<br>(CAR Forms FVAC, HID attached)<br>☐ Seller Financing<br>☐ Other:<br>_____ |
| E(2) | 6C(2) | Additional Financed Amount<br>Interest Rate<br>Points | $ _____ (_____% of purchase price) Fixed rate or ☐ Initial adjustable rate not to exceed _____%<br>Buyer to pay zero points or up to _____% of the loan amount | Conventional or, if checked,<br>☐ Seller Financing<br>☐ Other:<br>_____ |
| E(3) | 8A | **Occupancy Type** | Primary, or if checked, ☐ Secondary ☐ Investment | |
| F | 6D | **Balance of Down Payment** | $ _____ | |
| | | **PURCHASE PRICE TOTAL** | $ _____ | |
| | | | | |
| G(1) | 6E | **Seller Credit, if any, to Buyer** | $ _____ (_____% of purchase price) (% number above is for calculation purposes and is not a contractual term) | Seller credit to be applied to closing costs OR ☐ Other: _____ |
| G(2) | **ADDITIONAL FINANCE TERMS:** _____ | | | |
| H(1) | 6B | **Verification of All Cash** (sufficient funds) | Attached to the offer or ☐ 3 (or _____) Days after Acceptance | |
| H(2) | 7A | **Verification of Down Payment and Closing Costs** | Attached to the offer or ☐ 3 (or _____) Days after Acceptance | |
| H(3) | 7B | **Verification of Loan Application** | Attached to the offer or ☐ 3 (or _____) Days after Acceptance | ☐ Prequalification ☐ Preapproval ☐ Fully underwritten preapproval |
| I | | | **Intentionally Left Blank** | |
| J | 12 | **Public Report Status** | ☐ Final Public Report<br>☐ No Public Report Required<br>☐ Conditional Public Report<br>☐ Amended/Renewed Public Report | **If Conditional Public Report is checked:** Final Public Report shall be issued within ☐ 6 months or ☐ 30 months of the date of issuance of the Conditional Public Report. |
| | **Paragraph #** | **Paragraph Title or Contract Term** | **Terms and Conditions** | |
| K | 19 | **Final Verification of Condition** | 5 (or _____) Days prior to COE | |
| L | 26 | **Assignment Request** | 17 (or _____) Days after Acceptance | |

| M | 9 | CONTINGENCIES | TIME TO REMOVE CONTINGENCIES | CONTINGENCY REMOVED |
|---|---|---|---|---|
| M(1) | 9A | **Loan(s)** | 17 (or _____) Days after Acceptance | ☐ No loan contingency |
| M(2) | 9B, 15 | **Investigation of Property** | 17 (or _____) Days after Acceptance | REMOVAL OR WAIVER OF CONTINGENCY: Any contingency in M(1)-M(7) may be removed or waived by checking the applicable box above or attaching a Contingency Removal (C.A.R. Form CR) and checking the applicable box therein. Removal or Waiver at time of offer is against Agent advice. See paragraph 9H. ☐ **CR attached** |
| M(3) | 9C, 18A | **Review of Seller Documents** | 17 (or _____) Days after Acceptance, or 5 Days after receipt, whichever is later | |
| M(4) | 3J, 12 | **Review of Public Report** | 17 (or _____) Days after Acceptance, or 5 Days after receipt, whichever is later | |
| M(5) | 9D, 12 | **Preliminary ("Title") Report** | 17 (or _____) Days after Acceptance, or 5 Days after receipt, whichever is later | |
| M(6) | 9F, 13F | **Common Interest Disclosures** required by Civil Code § 4525 or this Agreement | 17 (or _____) Days after Acceptance, or 5 Days after receipt, whichever is later | |
| M(7) | 9G, 10C | **Review of leased or liened items** (Such as for solar panels or propane tanks or PACE or HERO liens) | 17 (or _____) Days after Acceptance, or 5 Days after receipt, whichever is later | |
| | | **Possession** | **Time for Performance** | **Additional Terms** |
| N | | **Delivery of Possession** | Upon notice of recordation On COE date | Property shall be delivered vacant unless Otherwise Agreed. |
| O | **Intentionally Left Blank** | | | |
| P | | **Documents/Fees/Compliance** | **Time for Performance** | |
| P(1) | 18A | Seller Delivery of Documents | 7 (or _____) Days after Acceptance | |
| P(2) | 22C | Sign and return Escrow Holder Provisions and Instructions | 5 (or _____) Days after receipt | |
| P(3) | 13F(2) | Time to pay fees for ordering HOA Documents | 3 (or _____) Days after Acceptance | |
| P(4) | 32 | Evidence of representative authority | 3 Days after Acceptance | |

| Q | **Allocation of Costs** | | | |
|---|---|---|---|---|
| | **Paragraph #** | **Item Description** | **Who Pays** (if Both is checked, cost to be split equally unless Otherwise Agreed) | **Additional Terms** |
| Q(1) | 13A, 13B | Natural Hazard Zone Disclosure Report, including tax information | ☐ Buyer ☐ Seller ☐ Both _____ ☐ Provided by: ***Click here to select your Service Provider*** | ☐ Environmental ☐ Other _____ |
| Q(2) | 22C | Escrow Fees | ☐ Buyer ☐ Seller ☐ Both _____ ☐ Each to pay their own fees | Escrow Holder: _____ |
| Q(3) | 17G | Owner's title insurance policy | ☐ Buyer ☐ Seller ☐ Both _____ | Title Company (If different from Escrow Holder): _____ |
| Q(4) | | Buyer's Lender title insurance policy | Buyer | Unless Otherwise Agreed, Buyer shall purchase any title insurance policy insuring Buyer's lender. |
| Q(5) | | County transfer tax, fees | ☐ Buyer ☐ Seller ☐ Both _____ | |
| Q(6) | | City transfer tax, fees | ☐ Buyer ☐ Seller ☐ Both _____ | |
| Q(7) | 13F(2) | HOA fee for preparing disclosures | Seller | |
| Q(8) | | HOA certification fee | Buyer | |
| Q(9) | | HOA transfer fees | ☐ Buyer ☐ Seller ☐ Both _____ | Unless Otherwise Agreed, Seller shall pay for separate HOA move-out fee and Buyer shall pay for separate move-in fee. Applies if separately billed or itemized with cost in transfer fee. |
| | **Paragraph #** | **Item Description** | **Who Pays** (if Both is checked, cost to be split equally unless Otherwise Agreed) | **Additional Terms** |
| Q(10) | | Termite pre-spray or treatment | | |
| Q(11) | | _____ fees or costs | ☐ Buyer ☐ Seller ☐ Both _____ | |
| Q(12) | | _____ fees or costs | ☐ Buyer ☐ Seller ☐ Both _____ | |
| Q(13) | | _____ Report | ☐ Buyer ☐ Seller ☐ Both _____ | |

| Q(14) | | _____ Report ☐ Buyer ☐ Seller ☐ Both _____ |
|---|---|---|
| R | 14 | **INSULATION INFORMATION:**<br>Exterior Walls: Type _____ Thickness _____ R-Value _____<br>Ceilings: Type _____ Thickness _____ R-Value _____<br>Interior Walls: Type _____ Thickness _____ R-Value _____<br>Other _____: Type _____ Thickness _____ R-Value _____ |
| S | 40, 41 | **SELLER ESTIMATES FOR THIRD PARTY CHARGES:**<br>Credit Reports _____ Preliminary Title Reports _____ Escrow Services _____<br>Appraisals _____ Loan Processing Fees _____ |
| T | 36 | **WARRANTY BEING PROVIDED:** Standard Warranty or ☐ Seller's Limited Warranty |
| U | | **OTHER TERMS:** Other terms and conditions are void to the extent that they impair or limit the rights or remedies reserved to Buyer elsewhere in this Agreement. **Note to Seller: For property sold subject to a public report, you must submit any addenda form(s) you intend to attach to this Agreement to, and have them be accepted by, the DRE.**<br>_____<br>_____ |

**5. PROPERTY ADVISORIES AND DISCLOSURES:** (check all that apply)

**A. BUYER AND SELLER ADVISORIES: (Note: All Advisories below are provided for reference purposes only and are not intended to be BUYER AND SELLER ADVISORIES incorporated into this Agreement.)**

☒ Buyer's Inspection Advisory (C.A.R. Form BIA)
☒ Wire Fraud Advisory (C.A.R. Form WFA)
☒ Fair Housing and Discrimination Advisory (C.A.R. Form FHDA)
☒ Cal. Consumer Privacy Act Advisory (C.A.R. Form CCPA)
(Parties may also receive a privacy disclosure from their own Agent.)
☐ Wildfire Disaster Advisory (C.A.R. Form WFDA)
☐ Trust Advisory (C.A.R. Form TA)
☐ REO Advisory (C.A.R. Form REO)
☐ Other _____
☐ Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)
☐ Short Sale Information and Advisory (C.A.R. Form SSIA)
☐ Probate Advisory (C.A.R. Form PA)
☐ Other _____

**B. ATTACHED DISCLOSURES:**

(1) If checked, Buyer acknowledges receipt of the following disclosures:

☐ Final Public Report
☐ Model Plan/Property Description
☐ Bonded Debt
☐ Notice of Special Tax
☐ Smoke Detector
☐ Newly converted condominium
☐ Conditional Public Report
☐ Zone Report
☐ Property Disclosure Statement
☐ HOA Documents
☐ Water Heater
☐ Industrial, Commercial, Airport Zone
☐ Amended/Renewed Public Report
☐ Site Report
☐ Seller's Warranty
☐ Utility Disclosures
☐ Transportation Corridors
☐ DRE 2790.9 (for properties for completed or occupied more than 3 years prior to a public report)
☐ _____

(2) **ADDITIONAL DISCLOSURES:** Seller shall provide Buyer with the following additional disclosures: _____

**6. ADDITIONAL TERMS AFFECTING PURCHASE PRICE:** Buyer represents that funds will be good when deposited with Escrow Holder.

**A. DEPOSIT:**

(1) **INITIAL DEPOSIT:** Buyer shall deliver deposit directly to the party selected in **paragraph 4D(1)**. If being delivered to Seller, Seller must have obtained a bond or bonds meeting the requirements of B&P Code §§ 11013.2(c) or 11013.4(b) or (c), and DRE Regulation 2791.2. If Seller has not obtained such bond(s), then deposit shall be delivered directly to Escrow. **Note to Seller: If the purchase agreement is signed under the authority of a conditional Public Report, all funds must be impounded and held in a neutral escrow depository per B&P Code §§ 11013.4(a) or 11013.2(a).**

(2) **INCREASED DEPOSIT:** Increased deposit (**paragraph 4D(2)**) to be delivered to Escrow Holder in the same manner as the Initial Deposit. If the Parties agree to liquidated damages in this Agreement, they also agree to incorporate the increased deposit into the liquidated damages amount by signing a new liquidated damages clause (C.A.R. Form DID) at the time the increased deposit is delivered to Escrow Holder.

(3) **OPTION DEPOSIT:** Option deposit (**paragraph 4D(3)**) to be delivered to Escrow Holder in the same manner and subject to the same terms as the Initial Deposit and subject to the terms of the Options and Upgrades Addendum (C.A.R. Form NCOU).

(4) **RETENTION OF DEPOSIT: Paragraph 42, if initialed by all Parties or otherwise incorporated into this Agreement, and if applicable an Options and Upgrade Addendum (C.A.R. Form NCOU), specifies a remedy for Buyer's default. Buyer and Seller are advised to consult with a qualified California real estate attorney before adding any other clause specifying a remedy (such as release or forfeiture of deposit or making a deposit non-refundable) for failure of Buyer to complete the purchase. Any such clause shall be deemed invalid unless the clause independently satisfies the statutory liquidated damages requirements set forth in the Civil Code.**

**B. ALL CASH OFFER:** If an all cash offer is specified in **paragraph 4A**, no loan is needed to purchase the Property. This Agreement is NOT contingent on Buyer obtaining a loan. Buyer shall, within the time specified in **paragraph 4H(1)**, Deliver written verification of funds sufficient for the purchase price and closing costs.

**C. LOAN(S):**

(1) **FIRST LOAN:** This loan will provide for conventional financing **UNLESS** FHA, VA, Seller Financing (C.A.R. Form SFA), or Other is checked in **paragraph 4E(1)**.

(2) **ADDITIONAL FINANCED AMOUNT:** If an additional financed amount is specified in **paragraph 4E(2)**, that amount will provide for conventional financing **UNLESS** Seller Financing (C.A.R. Form SFA), or Other is checked in **paragraph 4E(2)**.

(3) **BUYER'S LOAN STATUS:** Buyer authorizes Seller and Seller's Authorized Agent to contact Buyer's lender(s) to determine the status of any Buyer's loan specified in **paragraph 4E**, or any alternate loan Buyer pursues, whether or not a contingency of this Agreement. If the contact information for Buyer's lender(s) is different from that provided under the terms of **paragraph 7B**, Buyer shall Deliver the updated contact information within **1 Day** of Seller's request.



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(4) **FHA/VA: If FHA or VA is checked in paragraph 4E(1),** a FHA/VA amendatory clause (C.A.R. Form FVAC) shall be incorporated and Signed by all Parties. Buyer shall, within the time specified in **paragraph 4E(1),** Deliver to Seller written notice (C.A.R. Form RR or AEA) **(i)** of any lender requirements that Buyer requests Seller to pay for or otherwise correct or **(ii)** that there are no lender requirements. Notwithstanding Seller's agreement that Buyer may obtain FHA or VA financing, Seller has no obligation to pay or satisfy any or all lender requirements unless agreed in writing.

**D. BALANCE OF PURCHASE PRICE (DOWN PAYMENT) (including all-cash funds)** to be deposited with Escrow Holder pursuant to Escrow Holder instructions.

**E. LIMITS ON CREDITS TO BUYER:** Any credit to Buyer, from any source, for closing or other costs that is agreed to by the Parties ("Contractual Credit") shall be disclosed to Buyer's lender, if any, and made at Close Of Escrow. If the total credit allowed by Buyer's lender ("Lender Allowable Credit") is less than the Contractual Credit, then **(i)** the Contractual Credit from Seller shall be reduced to the Lender Allowable Credit, and **(ii)** in the absence of a separate written agreement between the Parties, there shall be no automatic adjustment to the purchase price to make up for the difference between the Contractual Credit and the Lender Allowable Credit.

**7. ADDITIONAL FINANCING TERMS:**

**A. VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS:** Written verification of Buyer's down payment and closing costs may be made by Buyer or Buyer's lender or loan broker pursuant to **paragraph 7B**.

**B. VERIFICATION OF LOAN APPLICATIONS:** Buyer shall Deliver to Seller, within the time specified in **paragraph 4H(3)** a letter from Buyer's lender or loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved for any NEW loan specified in **paragraph 4E**. If any loan specified in **paragraph 4E** is an adjustable rate loan, the prequalification or preapproval letter shall be based on the qualifying rate, not the initial loan rate.

**C. BUYER STATED FINANCING:** Seller is relying on Buyer's representation of the type of financing specified (including, but not limited to, as applicable, all cash, amount of down payment, or contingent or non-contingent loan). Seller has agreed to a specific closing date, purchase price, and to sell to Buyer in reliance on Buyer's specified financing. Buyer shall pursue the financing specified in this Agreement, even if Buyer also elects to pursue an alternative form of financing. Seller has no obligation to cooperate with Buyer's efforts to obtain any financing other than that specified in this Agreement but shall not interfere with closing at the purchase price on the COE date (**paragraph 4B**) even if based upon alternate financing. Buyer's inability to obtain alternate financing does not excuse Buyer from the obligation to purchase the Property and close escrow as specified in this Agreement.

**8. CLOSING AND POSSESSION:**

**A. OCCUPANCY:** Buyer intends to occupy the Property as indicated in **paragraph 4E(3)**. Occupancy may impact available financing.

**B. CONDITION OF PROPERTY ON CLOSING:**

(1) Seller agrees to complete, in a good workmanlike manner, the improvements upon the Property, and shall furnish all labor and materials. Such improvements shall be constructed substantially in conformance with the plans and specifications on file with, and approved by, the appropriate governmental authorities.

(2) All debris and personal property not included in the sale shall be removed by Close Of Escrow.

(3) No custom work may be performed by Buyer on the Property until after the Close Of Escrow.

**C. CHANGES IN CONSTRUCTION FROM MODEL:** The model plan or property description represents the intended proposal and should indicate items included in the purchase. Buyer acknowledges that Seller's models or descriptions may not reflect exactly the Property which could be due to changes in design and components made after the construction of the models. Buyer also acknowledges that Seller reserve the right to make changes mandated by the building inspectors or other governmental Uniform Building Code enforcement officials, and that Buyer's consent shall be required only if such changes are material or substantial in nature. If Buyer does not consent, Buyer shall have the right to cancel this Agreement in writing and to recover all deposits paid. Acceptance of title by Buyer at Close Of Escrow shall satisfy all consent requirements.

**D. At Close Of Escrow: (i)** Seller assigns to Buyer any assignable warranty rights for items included in the sale; and **(ii)** Seller shall Deliver to Buyer available Copies of any such warranties. Agents cannot and will not determine the assignability of any warranties.

**E.** Seller shall, on Close Of Escrow unless Otherwise Agreed and even if Seller remains in possession, provide keys, passwords, codes and/or means to operate all locks, mailboxes, security systems, alarms, home automation systems, intranet and Internet-connected devices included in the purchase price, garage door openers, and all items included in this Agreement. If the Property is a condominium or located in a common interest development, Seller shall be responsible for securing or providing any such items for Association amenities, facilities, and access. Buyer may be required to pay a deposit to the Homeowners' Association ("HOA") to obtain keys to accessible HOA facilities.

**9. CONTINGENCIES AND REMOVAL OF CONTINGENCIES:**

**A. LOAN(S):**

(1) This Agreement is, **unless otherwise specified in paragraph 4M(1) or an attached CR form**, contingent upon Buyer obtaining the loan(s) specified. If contingent, Buyer shall act diligently and in good faith to obtain the designated loan(s). **If there is no appraisal contingency or the appraisal contingency has been waived or removed, then failure of the Property to appraise at the purchase price does not entitle Buyer to exercise the cancellation right pursuant to the loan contingency if Buyer is otherwise qualified for the specified loan and Buyer is able to satisfy lender's non-appraisal conditions for closing the loan.**

(2) Buyer is advised to investigate the insurability of the Property as early as possible, as this may be a requirement for lending. Buyer's ability to obtain insurance for the Property, including fire insurance, is part of Buyer's Investigation of Property contingency. Failure of Buyer to obtain insurance may justify cancellation based on the Investigation contingency but not the loan contingency.

(3) Buyer's contractual obligations regarding deposit, balance of down payment and closing costs **are not contingencies** of this Agreement, unless Otherwise Agreed.

(4) **NO LOAN CONTINGENCY:** If "No loan contingency" is checked in **paragraph 4M(1)**, obtaining any loan specified is NOT a contingency of this Agreement. If Buyer does not obtain the loan specified, and as a result is unable to purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.

**B. INVESTIGATION OF PROPERTY:** This Agreement is, as specified in **paragraph 4M(2)**, contingent upon Buyer's acceptance of the condition of, and any other matter affecting, the Property.

**C. REVIEW OF SELLER DOCUMENTS:** This Agreement is, as specified in **paragraph 4M(4)**, contingent upon Buyer's review of Seller's documents required in **paragraph 18A**.

**D. REVIEW OF PUBLIC REPORT:** This Agreement is, as specified in **paragraph 4M(4)**, contingent upon Buyer's review of the Public Report specified in **paragraph 4J** and signing DRE form RE 614E, "Receipt for Public Report."



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E. **TITLE:**
(1) This Agreement is, as specified in **paragraph 4M(5)**, contingent upon Buyer's ability to obtain the title policy provided for in **paragraph 17G** and on Buyer's review of a current Preliminary Report and items that are disclosed or observable even if not on record or not specified in the Preliminary Report, and satisfying Buyer regarding the current status of title. Buyer is advised to review all underlying documents and other matters affecting title, including, but not limited to, any documents or deeds referenced in the Preliminary Report and any plotted easements.
(2) Buyer has **5 Days** after receipt to review a revised Preliminary Report, if any, furnished by the Title Company and cancel the transaction if the revised Preliminary Report reveals material or substantial deviations from a previously provided Preliminary Report.

F. **CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES (IF APPLICABLE):** This Agreement is, as specified in **paragraph 4M(6)**, contingent upon Buyer's review of Common Interest Disclosures required by Civil Code § 4525 and under **paragraph 13F** ("CI Disclosures").

G. **BUYER REVIEW OF LEASED OR LIENED ITEMS CONTINGENCY:** Buyer's review of and ability and willingness to assume any lease, maintenance agreement or other ongoing financial obligation, or to accept the Property subject to any lien, disclosed pursuant to **paragraph 10C**, is, as specified in **paragraph 4M(7)**, a contingency of this Agreement. Any assumption of the lease shall not require any financial obligation or contribution by Seller. Seller, after first Delivering a Notice to Buyer to Perform, may cancel this Agreement if Buyer, by the time specified in **paragraph 4M(7)**, refuses to enter into any necessary written agreements to accept responsibility for all obligations of Seller-disclosed leased or liened items.

H. **REMOVAL OR WAIVER OF CONTINGENCIES WITH OFFER: Buyer shall have no obligation to remove a contractual contingency unless Seller has provided all required documents, reports, disclosures, and information pertaining to that contingency.** If Buyer does remove a contingency without first receiving all required information from Seller, Buyer is relinquishing any contractual rights that apply to that contingency. **If Buyer removes or waives any contingencies without an adequate understanding of the Property's condition or Buyer's ability to purchase, Buyer is acting against the advice of Agent.**

I. **REMOVAL OF CONTINGENCY OR CANCELLATION:**
(1) **For any contingency specified in paragraph 4M or 9, Buyer shall, within the applicable period specified, remove the contingency or cancel this Agreement.**
(2) For the contingencies for review of Seller Documents, Public Report, Preliminary Report, and Condominium/Planned Development Disclosures, Buyer shall, within the time specified in **paragraph 4M** or **5 Days** after receipt of Seller Documents or CI Disclosures, whichever occurs later, remove the applicable contingency in writing or cancel this Agreement.
(3) If Buyer does not remove a contingency within the time specified, Seller, after first giving Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), shall have the right to cancel this Agreement.

**10. ITEMS INCLUDED IN AND EXCLUDED FROM SALE:**

A. **NOTE TO BUYER AND SELLER:** Items listed as included or excluded in the Multiple Listing Service (MLS), flyers, marketing materials, or disclosures are NOT included in the purchase price or excluded from the sale unless specified in this Agreement, the model plan/property description, or as Otherwise Agreed. Any items included herein are components of the home and are not intended to affect the price. All items are transferred without Seller warranty.

B. **ITEMS INCLUDED IN SALE:** Items included are those specifically indicated in this Agreement, the model plan/property description, or as Otherwise Agreed.

C. **LEASED OR LIENED ITEMS AND SYSTEMS:** Seller, within the time specified in **paragraph 4P(1)**, shall **(i)** disclose to Buyer if any item or system specified in this Agreement or otherwise included in the sale is leased, or not owned by Seller, or is subject to any maintenance or other ongoing financial obligation, or specifically subject to a lien or other encumbrance or loan, and **(ii)** Deliver to Buyer all written materials (such as lease, warranty, financing, etc.) concerning any such item.

**11. ALLOCATION OF COSTS FOR INSPECTIONS, REPORTS AND CERTIFICATES: Paragraphs in 4Q** only determines who is to pay for the inspection, test, certificate or service ("Report") mentioned; unless Otherwise Agreed they **do not determine who is to pay for any work recommended or identified in the Report. Agreements for payment of required work should be specified elsewhere in paragraph 4Q, or 4U, or in a separate agreement (such as C.A.R. Forms RR, RRRR, ADM or AEA).**

**12. PUBLIC REPORTS:** The following information describes the current status of the public report process specified in **paragraph 4J.**

A. **FINAL PUBLIC REPORT:** A public report is required to be delivered to Buyer prior to the execution of this Agreement.

B. **NO PUBLIC REPORT REQUIRED:** No public report is required.

C. **CONDITIONAL PUBLIC REPORT:** If the Property is subject to a Conditional Public Report under the B&P Code, escrow will not close, funds will not be released from the escrow, and any interest contracted for and the subject of the escrow will not be conveyed until a current Final Public Report is delivered to Buyer. Furthermore, the entire sum of money paid or advanced by Buyer shall be returned to Buyer under B&P Code § 11013.4(a) or 11013.2(a) if **(i)** the Final Public Report has not been issued within time specified in **paragraph 4J**. Buyer has the ability to cancel the Agreement if the Final Public Report has not been issued unless a conditional public report is renewed for another 6 months, or **(ii)** the Buyer is dissatisfied with the Final Public Report because of a change pursuant to B&P Code § 11012.

D. **AMENDED/RENEWED PUBLIC REPORT:** An amended/renewed public report is required to be delivered to Buyer prior to execution of this Agreement.

**13. DISCLOSURES:**

A. **STATUTORY DISCLOSURES WHEN NO PUBLIC REPORT IS REQUIRED:**
(1) **TDS, NHD, AND OTHER STATUTORY AND SUPPLEMENTAL DISCLOSURES:**
(A) Seller shall, within the time specified in **paragraph 4P(1)**, Deliver to Buyer: unless exempt, fully completed disclosures or notices required by §§ 1102 et. seq. and 1103 et. seq. of the Civil Code ("Statutory Disclosures"). Statutory Disclosures include, but are not limited to, a Real Estate Transfer Disclosure Statement (C.A.R. Form TDS), Natural Hazard Disclosure Statement ("NHD"), notice or actual knowledge of release of illegal controlled substance, notice of special tax and/or assessments (or, if allowed, substantially equivalent notice regarding the Mello-Roos Community Facilities Act of 1982 and Improvement Bond Act of 1915) and, if Seller has actual knowledge, of industrial use and military ordnance location (C.A.R. Form SPQ or ESD), and, if the Property is in a high or very high fire hazard severity area, the information, notices, documentation, and agreements required by §§ 1102.6(f) and 1102.19 of the Civil Code (C.A.R. Form FHDS).



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(B) The Real Estate Transfer Disclosure Statement required by this paragraph is considered fully completed if Seller has completed the section titled Coordination with Other Disclosure Forms by checking a box (Section I), and Seller has completed and answered all questions and Signed the Seller's Information section (Section II) and the Seller's Agent, if any, has completed and Signed the Seller's Agent's section (Section III), or, if applicable, an Agent Visual Inspection Disclosure (C.A.R. Form AVID). Section V acknowledgment of receipt of a Copy of the TDS shall be Signed after all previous sections, if applicable, have been completed. Nothing stated herein relieves a Buyer's Agent, if any, from the obligation to **(i)** conduct a reasonably competent and diligent visual inspection of the accessible areas of the Property and disclose, on Section IV of the TDS, or an AVID, material facts affecting the value or desirability of the Property that were or should have been revealed by such an inspection or **(ii)** complete any sections on all disclosures required to be completed by Buyer's Agent.

(C) Seller shall, within the time specified in **paragraph 4P(1)**, provide "Supplemental Disclosures" as follows: **(i)** unless exempt from the obligation to provide a TDS, complete a Seller Property Questionnaire (C.A.R. Form SPQ) by answering all questions and Signing and Delivering a Copy to Buyer; **(ii)** if exempt from the obligation to provide a TDS, complete an Exempt Seller Disclosure (C.A.R. Form ESD) by answering all questions and Signing and Delivering a Copy to Buyer.

(D) In the event Seller or Seller's Agent, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information or representations previously provided to Buyer under this paragraph, Seller shall, in writing, promptly provide a subsequent or amended TDS, Seller Property Questionnaire or other document, in writing, covering those items. Any such document shall be deemed an amendment to the TDS or SPQ. **However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies of which Buyer is otherwise aware, or which are discovered by Buyer or disclosed in reports or documents provided to or ordered and paid for by Buyer.**

(2) **DEFENSIBLE SPACE DISCLOSURE AND ADDENDUM:** For any transaction in which a TDS is required and the property is located in a high or very high fire hazard severity zone, Seller shall, within the time specified in **paragraph 4P(1)**, Deliver to Buyer **(i)** a disclosure of whether the Property is in compliance with any applicable defensible space laws designed to protect a structure on the Property from fire; and **(ii)** an addendum allocating responsibility for compliance with any such defensible space law (C.A.R. Form FHDS).

(3) **WAIVER PROHIBITED:** Waiver of Statutory and other Disclosures in **paragraph 13** are prohibited by Law.

(4) **RETURN OF SIGNED COPIES:** Buyer shall, within the time specified in **paragraph 4M(3)** OR **5 Days** after Delivery of any disclosures specified in **paragraph 13** and defensible space addendum in **paragraph 13A(2)**, whichever is later, return Signed Copies of the disclosures, and if applicable, addendum, to Seller.

(5) **TERMINATION RIGHTS:**

(A) **Statutory and Other Disclosures:** If any disclosure specified in **paragraphs 13A(1)** and **(2)**, or subsequent or amended disclosure to those just specified, is Delivered to Buyer after the offer is Signed, Buyer shall have the right to terminate this Agreement within 3 Days after Delivery in person, or 5 Days after Delivery by deposit in the mail, or by an electronic record or email satisfying the Uniform Electronic Transactions Act (UETA), by giving written notice of rescission to Seller or Seller's Authorized Agent. If Buyer does not rescind within this time period, Buyer has been deemed to have approved the disclosure and shall not have the right to cancel.

(B) Defensible Space Compliance: If, by the time specified in **paragraph 13A(4)**, Buyer does not agree to the terms regarding defensible space compliance Delivered by Seller, as indicated by mutual signatures on the FHDS, then Seller, after first Delivering a Notice to Buyer to Perform, may cancel this Agreement.

**B. NATURAL HAZARD ZONES:** If a Natural Hazard Disclosure Statement is not required under **paragraph 13A(1)(A)**, Seller shall, within the time specified in **paragraph 4P(1)**, disclose if Property is located in any of the following: Special Flood Hazard Areas; Potential Flooding (inundation) Areas, Very High Fire Hazard Severity Zones; State Fire Responsibility Areas; Earthquake Fault Zones; Seismic Hazard Zones; or any other federal, state, or local designated zone for which disclosure is required by Law.

**C. WITHHOLDING TAXES:** Buyer and Seller hereby instruct Escrow Holder to withhold the applicable required amounts to comply with federal and California withholding Laws and forward such amounts to the Internal Revenue Service and Franchise Tax Board, respectively. However, no federal withholding is required if, prior to Close Of Escrow, Seller Delivers **(i)** to Buyer and Escrow Holder a fully completed affidavit (C.A.R. Form AS) sufficient to avoid withholding pursuant to federal withholding Law (FIRPTA); **OR (ii)** to a qualified substitute (usually a title company or an independent escrow company) a fully completed affidavit (C.A.R. Form AS) sufficient to avoid withholding pursuant to federal withholding Law AND the qualified substitute Delivers to Buyer and Escrow Holder an affidavit signed under penalty of perjury (C.A.R. Form QS) that the qualified substitute has received the fully completed Seller's affidavit and the Seller states that no federal withholding is required; OR (iii) to Buyer other documentation satisfying the requirements under Internal Revenue Code § 1445 (FIRPTA). No withholding is required under California Law if, prior to Close Of Escrow, Escrow Holder has received sufficient documentation from Seller that no withholding is required, and Buyer has been informed by Escrow Holder.

**D. MEGAN'S LAW DATABASE DISCLOSURE:** Notice: Pursuant to § 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at **www.meganslaw.ca.gov**. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Seller nor Agent are required to check this website. If Buyer wants further information, Agent recommends that Buyer obtain information from this website during Buyer's investigation contingency period. Agents do not have expertise in this area.)

**E. NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES:** This notice is being provided simply to inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at **http://www.npms.phmsa.dot.gov/**. To seek further information about possible transmission pipelines near the Property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Website. (Neither Seller nor Agent are required to check this website. If Buyer wants further information, Agent recommends that Buyer obtain information from this website during Buyer's investigation contingency period. Agents do not have expertise in this area.)

**F. CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES:**

(1) Seller shall, within the time specified in **paragraph 4P(1)**, disclose to Buyer whether the Property is a condominium or is located in a planned development, other common interest development, or otherwise subject to covenants, conditions, and restrictions (C.A.R. Form SPQ or ESD).



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(2) If the Property is a condominium or is located in a planned development or other common interest development with a HOA, Seller shall, within the time specified in **paragraph 4P(3)**, order from, and pay any required fee for the following items to the HOA (C.A.R. Form HOA-IR): **(i)** Copies of any documents required by Law (C.A.R. Form HOA-RS); **(ii)** disclosure of any pending or anticipated claim or litigation by or against the HOA; **(iii)** a statement containing the location and number of designated parking and storage spaces; **(iv)** Copies of the most recent 12 months of HOA minutes for regular and special meetings; **(v)** the names and contact information of all HOAs governing the Property; **(vi)** pet restrictions; and **(vii)** smoking restrictions ("CI Disclosures"). Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Seller shall, as directed by Escrow Holder, deposit funds into escrow or direct to HOA or management company to pay for any of the above.

G. **NATURAL AND ENVIRONMENTAL HAZARDS:** Seller shall, within the time specified in **paragraph 4P(1)**, if required by Law: **(i)** Deliver to Buyer the earthquake guide and environmental hazards booklet, and for all residential property with 1-4 units and any manufactured or mobile home built before January 1, 1960, fully complete and Deliver the Residential Earthquake Risk Disclosure Statement; and **(ii)** even if exempt from the obligation to provide a NHD, disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; Seismic Hazard Zone; and **(iii)** disclose any other zone as required by Law and provide any other information required for those zones.

H. **PROPOSITION 65 WARNING**
**MATERIALS INCLUDED IN THE CONSTRUCTION OF THIS HOUSE WILL EXPOSE YOU TO FORMALDEHYDE, A SUBSTANCE KNOWN TO CAUSE CANCER. FURTHER INFORMATION MAY BE OBTAINED FROM THE BUILDER/ SELLER.**
The following information is intended to explain the warning furnished by Seller of this home for exposures to formaldehyde, a substance known to the State of California to cause cancer. The exposures are caused by materials of which the house is or will be built.
The United States Environmental Protection Agency, the California Air Resources Board, and other agencies have measured the presence of formaldehyde in the indoor air of homes in California. Levels of formaldehyde that present a significant cancer risk have been measured in most homes. Formaldehyde is present in the air because it is emitted by a variety of building materials and home products purchased by Seller from materials suppliers. These materials include carpeting, pressed wood products, insulation, plastics, and glues.
This home, if constructed prior to entering into this Agreement, has not been tested, and if constructed after entering into this Agreement, will not be tested. Most homes that have been tested elsewhere do contain formaldehyde, although the concentrations vary from home to home with no obvious explanation for the differences. One of the problems is that many suppliers of building materials and home products do not provide information on chemical ingredients to builders. In the absence of specific information on these homes, and in light of the materials used in their construction, Seller believes that a warning is necessary.
Buyer may have further questions about these issues. Seller is willing to share any further information Seller has obtained and will provide, upon request, a list of known materials suppliers that may be contacted for further information, and whether any inquiry has been made by Seller.

I. **KNOWN MATERIAL FACTS:** Seller shall, within the time specified in **paragraph 4P(1)**, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including, but not limited to, known insurance claims within the past five years, or provide Buyer with permission to contact lender to get such information (C.A.R. Form ARC), and make any and all other disclosures required by Law.

**14. INSULATION:** The Federal Trade Commission requires that a new home seller must include in every new home sales contract the following information regarding type, thickness, and R-value of insulation to be installed in each part of the residence and is specified in **paragraph 4R.**

**15. BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:** Buyer shall, within the time specified in **paragraph 4M(2)**, have the right, at Buyer's expense unless Otherwise Agreed, complete all Buyer Investigations (does not include access to the Property), approve all disclosures reports, and other applicable information; and approval all other matters affecting the Property (including those concerning the registered sex offender database on **paragraph 13D**).

**16. ENTRY UPON PROPERTY**

A. Buyer agrees to cooperate with Seller in the construction of the Property in accordance with the terms of this Agreement. Buyer understands that, in order to allow work to progress in an orderly fashion, no interference with the work may be permitted. Because of requirements of the California and Federal Occupational and Safety and Health Acts, as well as insurance requirements of Seller and its subcontractors, Buyer further understands and agrees that Buyer may not enter upon the construction site. Should Buyer or Buyer's guests or agents visit the Property prior to Close Of Escrow, Buyer agrees to indemnify and hold Seller harmless from any and all liability, claims, demands, damages, and costs arising from, or related to, Buyer's or Buyer's guests' or agents' entry upon the Property.

B. After this Agreement is fully executed and during the term of the escrow, neither Buyer no Buyer's agent may enter upon the Property for the purpose of showing the Property to any prospective purchaser thereof from Buyer.

C. After this Agreement is fully executed and during the term of escrow, Buyer shall not place any signs on, about, or near the Property without the prior written consent of Seller.

**17. TITLE AND VESTING:**

A. Buyer shall, within the time specified in **paragraph 4P(1)**, be provided a current Preliminary Report by the person responsible for paying for the title policy in **paragraph 4Q(3)**. If Buyer is responsible for paying, Buyer shall act diligently and in good faith to obtain such Preliminary Report within the time specified. The Preliminary Report is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. The company providing the Preliminary Report shall, prior to issuing a Preliminary Report, conduct a search of the General Index for all Sellers except banks or other institutional lenders selling properties they acquired through foreclosure (REOs), corporations, and government entities.

B. Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except for: **(i)** monetary liens of record unless Buyer is assuming those obligations or taking the Property subject to those obligations; and **(ii)** those matters which Seller has agreed to remove in writing. For any lien or matter not being transferred upon sale, Seller will take necessary action to deliver title free and clear of such lien or matter.

C. Seller shall within **7 Days** after request, give Escrow Holder necessary information to clear title.

D. Seller shall, within the time specified in **paragraph 4P(1)**, disclose to Buyer all matters known to Seller affecting title, whether of record or not.



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E. If Buyer is a legal entity and the Property purchase price is at least $300,000 and the purchase price is made without a bank loan or similar form of external financing, a Geographic Targeting Order (GTO) issued by the Financial Crimes Enforcement Network, U.S. Department of the Treasury, requires title companies to collect and report certain information about the Buyer, depending on where the Property is located. Buyer agrees to cooperate with the title company's effort to comply with the GTO.

F. Buyer shall, after Close Of Escrow, receive a recorded grant deed or any other conveyance document required to convey title (For example, for stock cooperative or tenancy in common, respectively, an assignment of stock certificate or assignment of seller's interest in the real property), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's vesting instructions. The recording document shall contain Buyer's post-closing mailing address to enable Buyer's receipt of the recorded conveyance document from the County Recorder. THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.

G. Buyer shall receive a "ALTA/CLTA Homeowner's Policy of Title Insurance" or equivalent policy of title insurance, if applicable to the type of property and buyer. Escrow Holder shall request this policy. If a ALTA/CLTA Homeowner's Policy of Title Insurance is not offered, Buyer shall receive a CLTA Standard Coverage policy unless Buyer has chosen another policy and instructed Escrow Holder in writing of the policy chosen and agreed to pay any increase in cost. Buyer should consult with the Title Company about the availability, and difference in coverage, and cost, if any, between a ALTA/CLTA Homeowner's Policy and a CLTA Standard Coverage policy and other title policies and endorsements. Buyer should receive notice from the Title Company on its Preliminary (Title) Report of the type of coverage offered. If Buyer is not notified on the Preliminary (Title) Report or is not satisfied with the policy offered, and Buyer nonetheless removes the contingency for Review of the Preliminary Report, Buyer will receive the policy as specified in this paragraph.

**18. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS: The following time periods may only be extended, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under this paragraph by either Buyer or Seller must be exercised in good faith and in writing (C.A.R. Form CR or CC).**

A. **SELLER DELIVERY OF DOCUMENTS:** Seller shall, within the time specified in **paragraph 4P(1)**, Deliver to Buyer all reports, disclosures and information ("Reports") for which Seller is responsible as specified in **paragraphs 10C, 11, 13A(1)** and **(2), 13B, 13C, 13F, 13G, 13I, 17, 34, 35, and 36**. This paragraph does not apply to the delivery of the Public Report. See **paragraphs 4** and **12** for Public Report delivery requirements.

B. **BUYER REVIEW OF DOCUMENTS; CONTINGENCY REMOVAL OR CANCELLATION**

(1) Buyer has the time specified in **paragraph 4M** to: **(i)** perform Buyer Investigations; review all disclosures, reports, lease documents to be assumed by Buyer pursuant to **paragraph 10C**, and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property; and **(ii)** Deliver to Seller Signed Copies of Statutory and Other Disclosures Delivered by Seller in accordance with **paragraph 13A(4)**.

(2) Buyer shall, by the end of the times specified in paragraph 4M (or as Otherwise Agreed), Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement (C.A.R. Form CR or CC). However, if any report, disclosure, or information for which Seller is responsible is not Delivered within the time specified in **paragraph 4M(3-7)**, then Buyer has **5 Days** after Delivery of any such items, or the times specified in **paragraph 4M**, whichever is later, to Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement. If Delivery of any Report occurs after a contractual contingency pertaining to that Report has already been waived or removed, the Delivery of the Report does not revive the contingency but there may be a right to terminate for a subsequent or amended disclosure under **paragraph 13A(1)(D)**.

(3) **Continuation of Contingency:** Even after the end of the time specified in **paragraph 4M** and before Seller cancels, if at all, pursuant to paragraph 18C, Buyer retains the right, in writing, to either **(i)** remove remaining contingencies, or **(ii)** cancel this Agreement based on a remaining contingency. Once Buyer's written removal of all contingencies is Delivered to Seller, Seller may not cancel this Agreement pursuant to paragraph 18C(1).

C. **SELLER RIGHT TO CANCEL:**

(1) **SELLER RIGHT TO CANCEL; BUYER CONTINGENCIES:** If, by the time specified in this Agreement, Buyer does not Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement, then Seller, after first Delivering to Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.

(2) **SELLER RIGHT TO CANCEL; BUYER CONTRACT OBLIGATIONS:** Seller, after first Delivering to Buyer a Notice to Buyer to Perform, may cancel this Agreement if, by the time specified in this Agreement, Buyer does not take the following action(s): **(i)** Deposit funds as required by **paragraph 4D(1-3)** or if the funds deposited pursuant to **paragraph 4D(1-3)** are not good when deposited; **(ii)** Deliver updated contact information for Buyer's lender(s) as required by **paragraph 6C(3)**; **(iii)** Deliver a notice of FHA or VA costs or terms, if any, as specified by **paragraph 6C(4)** (C.A.R. Form RR); **(iv)** Deliver verification, or a satisfactory verification if Seller reasonably disapproves of the verification already provided, as required by **paragraph 6B** or **7A**; **(v)** Deliver a letter as required by **paragraph 7B**; **(vi)** In writing assume or accept leases or liens specified in **paragraph 9G**; **(vii)** Return Statutory and Other Disclosures as required by **paragraph 13A(4)**; **(viii)** Cooperate with the title company's effort to comply with the GTO as required by **paragraph 17E**; **(ix)** Sign or initial a separate liquidated damages form for an increased deposit as required by **paragraph 6A(2)** and **42**; **(x)** Provide evidence of authority to Sign in a representative capacity as specified in **paragraph 32**; or **(xi)** Perform any additional Buyer contractual obligation(s) included in this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer and other expenses already paid by Escrow Holder pursuant to this Agreement prior to Seller's cancellation.

(3) **SELLER RIGHT TO CANCEL; SELLER CONTINGENCIES:** Seller may cancel this Agreement by good faith exercise of any Seller contingency included in this Agreement, or Otherwise Agreed, so long as that contingency has not already been removed or waived in writing.

D. **BUYER RIGHT TO CANCEL:**

(1) **BUYER RIGHT TO CANCEL; SELLER CONTINGENCIES:** If, by the time specified in this Agreement, Seller does not Deliver to Buyer a removal of the applicable contingency or cancellation of this Agreement, then Buyer, after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer and other expenses already paid by Escrow Holder pursuant to this Agreement prior to Buyer's cancellation.

(2) **BUYER RIGHT TO CANCEL; SELLER CONTRACT OBLIGATIONS:** If, by the time specified, Seller has not Delivered any item specified in **paragraph 4P(1)** or Seller has not performed any Seller contractual obligation included in this Agreement by the time specified, Buyer, after first Delivering to Seller a Notice to Seller to Perform, may cancel this Agreement.

(3) **BUYER RIGHT TO CANCEL; BUYER CONTINGENCIES:** Buyer may cancel this Agreement by good faith exercise of any Buyer contingency included in **paragraph 9**, or Otherwise Agreed, so long as that contingency has not already been removed in writing.



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E. **NOTICE TO BUYER OR SELLER TO PERFORM:** The Notice to Buyer to Perform or Notice to Seller to Perform shall: **(i)** be in writing; **(ii)** be Signed by the applicable Buyer or Seller; and **(iii)** give the other Party at least **2 Days** after Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A Notice to Buyer to Perform or Notice to Seller to Perform may not be Delivered any earlier than **2 Days** prior to the Scheduled Performance Day to remove a contingency or cancel this Agreement or meet an obligation specified in **paragraph 18**, whether or not the Scheduled Performance Day falls on a Saturday, Sunday or legal holiday. If a Notice to Buyer to Perform or Notice to Seller to Perform is incorrectly Delivered or specifies a time less than the agreed time, the notice shall be deemed invalid and void and Seller or Buyer shall be required to Deliver a new Notice to Buyer to Perform or Notice to Seller to Perform with the specified timeframe.

F. **EFFECT OF REMOVAL OF CONTINGENCIES:**

(1) **REMOVAL OF BUYER CONTINGENCIES:** If Buyer removes any contingency or cancellation rights, unless Otherwise Agreed, Buyer shall conclusively be deemed to have: **(i)** completed all Buyer Investigations, and review of reports and other applicable information and disclosures pertaining to that contingency or cancellation right; **(ii)** elected to proceed with the transaction; and **(iii)** assumed all liability, responsibility and expense for the non-delivery of any reports, disclosures or information outside of Seller's control and for any Repairs or corrections pertaining to that contingency or cancellation right, or for the inability to obtain financing.

(2) **REMOVAL OF SELLER CONTINGENCIES:** If Seller removes any contingency or cancellation rights, unless Otherwise Agreed, Seller shall conclusively be deemed to have: **(i)** satisfied themselves regarding such contingency, **(ii)** elected to proceed with the transaction; and **(iii)** given up any right to cancel this Agreement based on such contingency.

G. **DEMAND TO CLOSE ESCROW:** Before Buyer or Seller may cancel this Agreement for failure of the other Party to close escrow pursuant to this Agreement, Buyer or Seller must first Deliver to the other Party a Demand to Close Escrow (C.A.R. Form DCE). The DCE shall: **(i)** be Signed by the applicable Buyer or Seller; and **(ii)** give the other Party at least **3 Days** after Delivery to close escrow. A DCE may not be Delivered any earlier than **3 Days** prior to the Scheduled Performance Day for the Close Of Escrow. If a DCE is incorrectly Delivered or specifies a time less than the agreed time, the DCE shall be deemed invalid and void, and Seller or Buyer shall be required to Deliver a new DCE.

H. **EFFECT OF CANCELLATION ON DEPOSITS:** If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, the Parties agree to Sign and Deliver mutual instructions to cancel the sale and escrow and release deposits, if any, to the Party entitled to the funds, less **(i)** fees and costs paid by Escrow Holder on behalf of that Party, if required by this Agreement; and **(ii)** any escrow cancellation fee charged to that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. **A release of funds will require mutual Signed release instructions from the Parties, judicial decision or arbitration award. A Party may be subject to a civil penalty of up to $1,000 for refusal to Sign cancellation instructions if no good faith dispute exists as to which Party is entitled to the deposited funds (Civil Code § 1057.3). Note: Neither Agents nor Escrow Holder are qualified to provide any opinion on whether either Party has acted in good faith or which Party is entitled to the deposited funds. Buyer and Seller are advised to seek the advice of a qualified California real estate attorney regarding this matter.**

19. **FINAL VERIFICATION OF CONDITION:** Buyer shall have the right to make a final inspection of the Property accompanied by Seller within the time specified in **paragraph 4K**, NOT AS A CONTINGENCY OF THE SALE, but solely for the purpose of preparing a list of corrective work, if any, which may be necessary. Seller shall provide Buyer with notice at least **3 Days** prior to the date on which the Property is to be inspected and shall have the right to accompany Buyer on such inspection. Buyer's failure to make the final inspection on the agreed date, the existence of minor defects in the welling, or any corrective work agreed to be performed by Seller pursuant to this paragraph shall not cause a delay in the Close Of Escrow or entitle Buyer to withhold any portion of the purchase price. Seller shall, prior to or after the Close Of Escrow, proceed diligently to complete all corrective work agreed to and acknowledged by Buyer and Seller in writing in a reasonably prompt manner in accordance with Seller's Warranty.

20. **PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS:** Unless Otherwise Agreed, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, Seller rental payments, HOA regular assessments due prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. Seller shall pay any HOA special or emergency assessments due prior to Close Of Escrow. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and HOA special or emergency assessments that are due after Close Of Escrow. Property will be reassessed upon change of ownership. Any supplemental tax bills delivered to Escrow Holder prior to closing shall be prorated and paid as follows: **(i)** for periods after Close Of Escrow, by Buyer; and **(ii)** for periods prior to Close Of Escrow, by Seller (see C.A.R. Form SPT or SBSA for further information). Seller agrees all service fees, maintenance costs and utility bills will be paid current up and through the date of Close Of Escrow. TAX BILLS AND UTILITY BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER. Prorations shall be made based on a 30-day month.

21. **BROKERS AND AGENTS:**

A. **COMPENSATION:** Seller or Buyer, or both, as applicable, agree to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer.

B. **SCOPE OF DUTY:** Buyer and Seller acknowledge and agree that Agent: **(i)** Does not decide what price Buyer should pay or Seller should accept; **(ii)** Does not guarantee the condition of the Property; **(iii)** Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; **(iv)** Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; **(v)** Shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Agent; **(vi)** Shall not be responsible for inspecting public records or permits concerning the title or use of Property; **(vii)** Shall not be responsible for identifying the location of boundary lines or other items affecting title; **(viii)** Shall not be responsible for verifying square footage, representations of others or information contained in Investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; **(ix)** Shall not be responsible for determining the fair market value of the Property or any personal property included in the sale; **(x)** Shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and **(xi)** Shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals.

C. **REFERRAL LICENSEE COMPENSATION:** (If checked in **paragraph 3E**, Seller or Buyer, agree that Referral Licensee shall be compensated the amount specified in **paragraph 3E**. **Note to Referral Licensee: Agency relationships can be established by conduct notwithstanding the classification as a referral licensee in the Agreement.**



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**22. JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:**

**A. The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder,** which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: **paragraphs 1, 4A, 4B, 4D-G, 4P(2), 4Q, 4U, 6A(1-3) 6D, 6E, 11, 13F(2), 17 (except 17D), 18H, 20, 21A, 22, 26, 29, 31, 45, 46, and paragraph 3 of the Real Estate Brokers Section.** If a Copy of the separate compensation agreement(s) provided for in **paragraph 21A** or **paragraph 3** of the **Real Estate Brokers Section** is deposited with Escrow Holder by Agent, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned.

**B. IF PROPERTY IS SUBJECT TO A PUBLIC REPORT OR EXEMPT FROM A PUBLIC REPORT PUSUANT TO BUSINESS AND PROFESSIONS CODE § 11010.4, THE FOLLOWING ADDITIONAL ESCROW INSTRUCTIONS APPLY:**

(1) **BLANKET ENCUMBRANCE:** Not as a condition of Seller's duty to complete construction under **paragraph 1D(2)**, but solely for the benefit of Buyer, the escrow shall not close, funds shall not be released from escrow, and title shall not be conveyed to Buyer, until all of the following conditions have been met: **(i)** Seller has complied with the purchase money handling requirements of B&P Code §§ 11013, 11013.1, 11013.2, or 11013.4, as applicable; and **(ii)** Buyer has been provided a policy of title insurance showing that the Property is free and clear of any blanket encumbrances as defined in § 11013. For purposes of compliance with § 11013.2(a), a release from a blanket encumbrance resulting from a deed of trust or mortgage shall require satisfaction with either of the following: (a) an instrument has been duly recorded unconditionally reconveying and releasing the Property from the lien or charge of such deed of trust; or (b) Buyer is notified that an agreement or demand constituting a release agreement as defined in DRE Regulation 2791.1(b)(2)(A) has been duly deposited with Escrow Holder and is available to Buyer on request for each deed of trust, and Buyer will be provided with a policy of title insurance insuring Buyer against loss by reason of such deed of trust.

(2) **COMMON INTEREST SUBDIVISION:** If Seller discloses property is in a common interest subdivision, as required under **paragraph 13F**, the attached Common Interest Subdivision Supplemental Escrow Instructions (C.A.R. Form NCEI) are made a part of this Agreement. **Note to Seller: For property subject to a public report, you must use the Common Interest Subdivision Supplemental Escrow Instructions provided with this NCPA or for any other supplemental escrow instructions you intend to use you must submit them to, and have them be accepted by, the DRE.**

(3) If escrow does not close within 1 year after Acceptance of this Agreement, and Buyer and Seller have not extended the closing date in writing, and the failure to close escrow is not due to the default of Buyer, escrow is to be cancelled and all funds in escrow immediately returned to Buyer upon Buyer's request.

(4) Subject to the requirements of Civil Code §§ 1675(c) or (d), 1676, 1677, and 1678, if funds deposited in escrow by Buyer have been disbursed on Seller's instructions as permitted by DRE Regulation 2791, the funds expended by Seller shall be reimbursed to escrow within **15 Days** after Seller's failure to perform within 1 year after Acceptance of this Agreement, and Buyer and Seller have not extended the closing date in writing, and those funds shall be immediately returned to Buyer from escrow.

(5) Escrow shall not close until Escrow Holder has received written notice from a title insurance company that each and every encumbrance, including without limitation, any mortgage or deed of trust, filed of record prior to the time of recording of the Declaration of Covenants, Conditions, and Restrictions has either been **(i)** fully reconveyed or **(ii)** expressly subordinated to the Declaration of Covenants, Conditions, and Restrictions.

**C.** Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder. To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller shall Sign and return Escrow Holder's general provisions or supplemental instructions within the time specified in **paragraph 4P(2)**. Buyer and Seller shall execute additional instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow and, as directed by Escrow Holder, within **3 Days**, shall pay to Escrow Holder or HOA or HOA management company or others any fee required by **paragraphs 4, 9, 11, 13** or elsewhere in this Agreement.

**D.** A Copy of this Agreement including any counter offer(s) and addenda shall be delivered to Escrow Holder within **3 Days** after **Acceptance**. Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement. Escrow Holder shall provide Seller's Statement of Information to Title Company when received from Seller, if a separate company is providing title insurance. If Seller delivers an affidavit to Escrow Holder to satisfy Seller's FIRPTA obligation under **paragraph 13C**, Escrow Holder shall deliver to Buyer, Buyer's Agent, and Seller's Agent a Qualified Substitute statement that complies with federal Law. If Escrow Holder's Qualified Substitute statement does not comply with federal law, the Parties instruct escrow to withhold all applicable required amounts under **paragraph 13C**.

**E.** Agents are not a party to the escrow except for the sole purpose of receiving compensation pursuant to **paragraph 21A and paragraph 3 of the Real Estate Brokers Section**. If a Copy of the separate compensation agreement(s) provided for in either of those paragraphs is deposited with Escrow Holder by Agent, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). Buyer and Seller irrevocably assign to Brokers compensation specified in **paragraph 21A**, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement.

**F.** Buyer and Seller acknowledge that Escrow Holder may require invoices for expenses under this Agreement. Buyer and Seller, upon request by Escrow Holder, within **3 Days** or within a sufficient time to close escrow, whichever is sooner, shall provide any such invoices to Escrow Holder.

**G.** Upon receipt, Escrow Holder shall provide Buyer, Seller, and each Agent verification of Buyer's deposit of funds pursuant to **paragraph 6A(1)**. Once Escrow Holder becomes aware of any of the following, Escrow Holder shall immediately notify each Agent: **(i)** if Buyer's initial or any additional deposit or down payment is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or **(ii)** if Buyer and Seller instruct Escrow Holder to cancel escrow.

**H.** A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within **3 Days** after mutual execution of the amendment.



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23. **SELECTION OF SERVICE PROVIDERS:** Agents do not guarantee the performance of any vendors, service or product providers ("Providers"), whether referred by Agent or selected by Buyer, Seller or other person. Buyer and Seller may select ANY Providers of their own choosing.
24. **MULTIPLE LISTING SERVICE ("MLS"):** Agents are authorized to report to the MLS that an offer has been accepted and, upon Close Of Escrow, the sales price and other terms of this transaction shall be provided to the MLS to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS. Buyer acknowledges that: **(i)** any pictures, videos, floor plans (collectively, "Images") or other information about the Property that has been or will be inputted into the MLS or internet portals, or both, at the instruction of Seller or in compliance with MLS rules, will not be removed after Close Of Escrow; **(ii)** California Civil Code § 1088(c) requires the MLS to maintain such Images and information for at least three years and as a result they may be displayed or circulated on the Internet, which cannot be controlled or removed by Seller or Agents; and **(iii)** Seller, Seller's Agent, Buyer's Agent, and MLS have no obligation or ability to remove such Images or information from the Internet.
25. **ATTORNEY FEES AND COSTS:** In any action, proceeding, or arbitration between Buyer and Seller arising out of this Agreement, the prevailing Buyer or Seller shall be entitled to reasonable attorney fees and costs from the non-prevailing Buyer or Seller, except as provided in **paragraph 43.**
26. **ASSIGNMENT:** Buyer shall have the right to assign all of Buyer's interest in this Agreement to Buyer's own trust or to any wholly owned entity of Buyer that is in existence at the time of such assignment. Otherwise, Buyer shall not assign all or any part of Buyer's interest in this Agreement without first having obtained the separate written consent of Seller to a specified assignee. Such consent shall not be unreasonably withheld. Prior to any assignment, Buyer shall disclose to Seller the name of the assignee and the amount of any monetary consideration between Buyer and assignee. Buyer shall provide assignee with all documents related to this Agreement including, but not limited to, the Agreement and any disclosures. If assignee is a wholly owned entity or trust of Buyer, that assignee does not need to re-sign or initial all documents provided. Whether or not an assignment requires seller's consent, at the time of assignment, assignee shall deliver a letter from assignee's lender that assignee is prequalified or preapproved as specified in **paragraph 7B**. Should assignee fail to deliver such a letter, Seller, after first giving Assignee an Notice to Buyer to Perform, shall have the right to terminate the assignment. Buyer shall, within the time specified in **paragraph 4L**, Deliver any request to assign this Agreement for Seller's consent. If Buyer fails to provide the required information within this time frame, Seller's withholding of consent shall be deemed reasonable. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement unless Otherwise Agreed by Seller (C.A.R. Form AOAA).
27. **SEVERABILITY:** If any term, condition, or provision of this Agreement is declared illegal or invalid for any reason by a court of competent jurisdiction, or arbitrator, the remaining terms, conditions, and provisions shall, nevertheless, remain in full force and effect.
28. **EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Laws.
29. **DEFINITIONS and INSTRUCTIONS:** The following words are defined terms in this Agreement, shall be indicated by initial capital letters throughout this Agreement, and have the following meaning whenever used:
    - **A. "Acceptance"** means the time the offer or final counter offer is fully executed, in writing, by the recipient Party and is Delivered to the offering Party or that Party's Authorized Agent.
    - **B. "Agent"** means the Broker, salesperson, broker-associate or any other real estate licensee licensed under the brokerage firm identified in **paragraph 3**.
    - **C. "Agreement"** means this document and any counter offers and any incorporated addenda or amendments, collectively forming the binding agreement between the Parties. Addenda and amendments are incorporated only when Signed and Delivered by all Parties.
    - **D. "As-Is"** condition: Seller shall disclose known material facts and defects as specified in this Agreement. Buyer has the right to inspect the Property and, within the time specified, request that Seller make repairs or take other corrective action, or exercise any contingency cancellation rights in this Agreement. Seller is only required to make repairs specified in this Agreement or as Otherwise Agreed.
    - **E. "Authorized Agent"** means an individual real estate licensee specified in the Real Estate Broker Section.
    - **F. "C.A.R. Form"** means the most current version of the specific form referenced or another comparable form agreed to by the Parties.
    - **G. "Close Of Escrow"**, including "COE", means the date the grant deed, or other evidence of transfer of title, is recorded for any real property, or the date of Delivery of a document evidencing the transfer of title for any non-real property transaction.
    - **H. "Copy"** means copy by any means including photocopy, facsimile and electronic.
    - **I. Counting Days** is done as follows unless Otherwise Agreed: (1) The first Day after an event is the first full calendar date following the event, and ending at 11:59 pm. For example, if a Notice to Buyer to Perform (C.A.R. form NBP) is Delivered at 3 pm on the 7th calendar day of the month, or Acceptance of a counter offer is personally received at 12 noon on the 7th calendar day of the month, then the 7th is Day "0" for purposes of counting days to respond to the NBP or calculating the Close Of Escrow date or contingency removal dates and the 8th of the month is Day 1 for those same purposes. (2) All calendar days are counted in establishing the first Day after an event. (3) All calendar days are counted in determining the date upon which performance must be completed, ending at 11:59 pm on the last day for performance ("Scheduled Performance Day"). (4) After Acceptance, if the Scheduled Performance Day for any act required by this Agreement, including Close Of Escrow, lands on a Saturday, Sunday, or legal holiday, the performing party shall be allowed to perform on the next day that is not a Saturday, Sunday or legal holiday ("Allowable Performance Day"), and ending at 11:59 pm. (5) For the purposes of COE, any day that the Recorder's office in the County where the Property is located is closed, the COE shall occur on the next day the Recorder's office in that County is open. (6) COE is considered Day 0 for purposes of counting days Seller is allowed to remain in possession, if permitted by this Agreement.
    - **J. "Day"** or **"Days"** means calendar day or days. However, delivery of deposit to escrow is based on business days.
    - **K. "Deliver", "Delivered" or "Delivery"** of documents, unless Otherwise Agreed, means and shall be effective upon personal receipt of the document by Buyer or Seller or their Authorized Agent. Personal receipt means **(i)** a Copy of the document, or as applicable, link to the document, is in the possession of the Party or Authorized Agent, regardless of the Delivery method used (i.e. e-mail, text, other), or **(ii)** an Electronic Copy of the document, or as applicable, link to the document, has been sent to any of the designated electronic delivery addresses specified in the Real Estate Broker Section on page 18. After Acceptance, Agent may change the designated electronic delivery address for that Agent by, in writing, Delivering notice of the change in designated electronic delivery address to the other Party. Links could be, for example, to DropBox or GoogleDrive or other functionally equivalent program. If the recipient of a link is unable or unwilling to open the link or download the documents or otherwise prefers Delivery of the documents directly, Recipient of a link shall notify the sender in writing, within **3 Days** after Delivery of the link (C.A.R. Form RFR). In such case, Delivery shall be effective upon Delivery of the documents and not the link. Failure to notify sender within the time specified above shall be deemed consent to receive, and Buyer opening, the document by link.
    - **L. "DRE"** means the Department of Real Estate.



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M. **"Electronic Copy"** or "Electronic Signature" means, as applicable, an electronic copy or signature complying with California Law. Buyer and Seller agree that electronic means will not be used by either Party to modify or alter the content or integrity of this Agreement without the knowledge and consent of the other Party.

N. **"Law"** means any law, code, statute, ordinance, regulation, rule or order, which is adopted by a controlling city, county, state or federal legislative, judicial or executive body or agency.

O. **"Legally Authorized Signer"** means an individual who has authority to Sign for the principal as specified in **paragraph 45** or **paragraph 46**.

P. **"Otherwise Agreed"** means an agreement in writing, signed by both Parties and Delivered to each.

Q. **"Repairs"** means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.

R. **"Sign" or "Signed"** means either a handwritten or Electronic Signature on an original document, Copy or any counterpart.

**30. TERMS AND CONDITIONS OF OFFER:** This is an offer to purchase the Property on the terms and conditions herein. The individual Liquidated Damages and Arbitration of Disputes paragraphs are incorporated in this Agreement if initialed by all Parties or if incorporated by mutual agreement in a Counter Offer or addendum. **If at least one but not all Parties initial, a Counter Offer is required until agreement is reached.** Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance and to market the Property for backup offers after Acceptance. The Parties have read and acknowledge receipt of a Copy of the offer and agree to the confirmation of agency relationships. If this offer is accepted and Buyer subsequently defaults, Buyer may be responsible for payment of Brokers' compensation. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing. By signing this offer or any document in the transaction, the Party Signing the document is deemed to have read the document in its entirety.

**31. TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES:** Time is of the essence. All understandings between the Parties are incorporated in this Agreement. Its terms are intended by the Parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Except as Otherwise Agreed, this Agreement shall be interpreted, and disputes shall be resolved in accordance with the Laws of the State of California. **Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.**

**32. LEGALLY AUTHORIZED SIGNER:** Wherever the signature or initials of the Legally Authorized Signer identified in **paragraph 45** or **46** appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Legally Authorized Signer **(i)** represents that the entity for which that person is acting already exists and is in good standing to do business in California and **(ii)** shall Deliver to the other Party and Escrow Holder, within the time specified in **paragraph 4P(4)**, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code § 18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).

**33. DOCUMENTATION TO SUBSEQUENT PURCHASERS:** Buyer is instructed to give any subsequent purchasers all documents related to the sale and purchase that Buyer receives from Seller.

**34. MAINTENANCE RECOMMENDATIONS:** Provided with the Agreement are Copies of all builder maintenance and preventative maintenance recommendations.

**35. MANUFACTURED PRODUCTS MAINTENANCE AND LIMITED WARRANTIES:** Provided with the Agreement are Copies of all manufactured products maintenance, preventative maintenance, and limited warranty information.

**36. SELLER'S WARRANTY:**

A. As specified in **paragraph 4T**, Seller shall provide the following warranty:

(1) **STANDARD WARRANTY:** Seller warrants the Property against defective materials and workmanship **(i)** for sales subject to Civil Code §§ 895-945.5, for a minimum period of time established by those code sections, or **(ii)** for Sales not subject to Civil Code §§ 895-945.5, for a period of 1 year from the date of possession. In either (i) or (ii), Seller's Warranty only applies if Seller receives notice of such defect(s) within the warranty period. Items or defects that were inspected and approved under **paragraph 15** or thereafter, minor settling cracks, damage caused by Buyer or movers, or damage due to alterations or additions made other than by Seller, are excluded from Seller's Warranty. For defects that are covered by the Seller's Standard Warranty, Seller will, within a reasonable time, at Seller's option repair or replace any covered defect in the Property.

(2) **LIMITED WARRANTY:** Seller shall provide Buyer with a Limited Warranty against defective materials and workmanship, which will be evidenced by the documents delivered and effective upon Close Of Escrow. **Note to Seller: For property sold subject to a public report, for any Limited Warranty you intend to attach to this Agreement you must submit them to, and have them be accepted by, the DRE.** A Copy of such warranty shall be provided to Buyer within the time specified in **paragraph 4P(1)**.

B. Seller shall not be liable for, or have any obligation to provide, warranty services with respect to any defect expressly accepted by Buyer and Close Of Escrow.

C. THE SELLER'S STANDARD OR LIMITED WARRANTY IS PROVIDED IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OF FITNESS, AND IN LIEU OF ANY STRICT LIABILITY OF SELLER IN TORT, TO THE EXTENT SUCH LIABILITY MAY BE DISCLAIMED UNDER CALIFORNIA LAW. THE SELLER'S WARRANTY ALSO EXCLUDES LIABILITY FOR CONSEQUENTIAL DAMAGES TO THE EXTENT THAT SUCH LIABILITY MAY BE DISCLAIMED UNDER CALIFORNIA LAW.

D. WHETHER OR NOT SELLER WARRANTS ANY ASPECT OF THE PROPERTY, SELLER IS OBLIGATED TO DISCLOSE KNOWN MATERIAL FACTS, AND TO MAKE OTHER DISCLOSURES REQUIRED BY LAW.

E. Buyer and Seller understand and acknowledge that Brokers or Referral Licensee shall not be liable for any breach of this paragraph.

**37. BUILDER LIMITED CONTRACTUAL WARRANTIES:** Provided with this Agreements are Copies of all builder limited contractual warranties not specified in **paragraph 36** of this Agreement or elsewhere in writing. **Note to Seller: For property sold subject to a public report, for any Limited Warranty you intend to attach to this Agreement you must submit them to, and have them be accepted by, the DRE.**



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**38. PROCEDURES FOR ACTIONS ON CONSTRUCTION DEFECTS AND ESCROW INSTRUCTION:** Unless Otherwise Agreed below, this sale is governed by Civil Code §§ 895-945.5 and all of the terms of **paragraph 38** apply.

By initialing here, Buyer's Initials _____/_____ Seller's Initials _____/_____, Buyer and Seller are agreeing that this sale is NOT governed by Civil Code §§ 895-945.5 and paragraphs 38A-E do not apply.

**WARNING: DO NOT INITIAL HERE UNLESS BOTH PARTIES INTEND TO OPT OUT OF CIVIL CODE §§ 895-945.5**

**A.** "**Notice:** California law establishes procedures that must be followed prior to the filing of any action related to a claimed construction defect. These procedures impact the legal rights of a homeowner. These procedures may be found in Title 7 of Part 2 of Division 2 of the California Civil Code commenting with § 895."

**B.** **Escrow Holder Instruction:** By signing this document, the Parties are instructing Escrow Holder to insert in the deed the language specified in quotes in paragraph 38A above.

**C.** [X] Attached to the Agreement is a Copy of California Civil Code §§ 895-945.5 (NOTE: REALTORS® may obtain a copy of California Civil Code §§ 895-945.5 in the EPubs library in zipForm®.

**D.** By initialing here, Buyer and Seller acknowledge that each has received and read this paragraph and the copy of California Civil Code §§ 895-945.5 provided.

**Buyer's Initials** _____/_____ **Seller's Initials** _____/_____

**E.** **AGENT FOR NOTICE:** Claims and requests for information relating to construction defect allegations made pursuant to Chapter 4 of Title 7 of Part 2 of Division 2 of the California Civil Code commencing with § 910 may be made to the following person at the following address: _____.

By initialing here, Buyer and Seller acknowledge that each has read and understands this paragraph

**Buyer's Initials** _____/_____ **Seller's Initials** _____/_____

**39. NON-ADVERSARIAL PROCEDURE OF CALIFORNIA CIVIL CODE:** Seller elects to engage in the non-adversarial procedure set forth in California Civil Code § 914 for construction defect claims, unless initialed in this paragraph. If initialed here, Seller opts out and Buyer and Seller agree to be bound by the alternative procedure, set forth in the attached Addendum. **Note to Seller: For property sold subject to a public report, for any addenda you intend to attach to this Agreement you must submit them to, and have them be accepted by, the DRE.**

**Buyer's Initials** _____/_____ **Seller's Initials** _____/_____

**WARNING: DO NOT INITIAL HERE UNLESS BOTH PARTIES INTEND TO OPT OUT OF NON-ADVERSARIAL PROCEDURES**

**40. PURCHASE MONEY DISTRIBUTIONS TO THIRD PARTIES:** Pursuant to DRE Regulation 2791(b), certain distributions and charges may be made against Buyer's deposits to Seller. These charges under Regulation 2791(b), and the Seller Estimates for Third Party Charges, are set forth in **paragraph 4S.**

**41. RETENTION OF BUYER DEPOSITS IN THE EVENT OF BUYER DEFAULT:** In the event Seller has used Buyer's deposits pending consummation of this Agreement, Seller shall immediately, upon alleging Buyer's default, transmit to Escrow Holder funds equal to all of Buyer's deposits so used.

**42. LIQUIDATED DAMAGES: IF BUYER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY BY REASON OF DEFAULT OF BUYER, SELLER MAY PURSUE ANY REMEDY IN LAW OR EQUITY THAT IT MAY HAVE AGAINST BUYER ON ACCOUNT OF THE DEFAULT; PROVIDED, HOWEVER, THAT BY PLACING THEIR INTIALS HERE, BUYER _____/_____ AND SELLER _____/_____ AGREE THAT:**

**A. THE SUMS PAID ON DEPOSIT PURSUANT TO PARAGRAPHS 4D(1) AND 7A HEREOF PLUS ANY AMOUNTS PAID FOR ADDITIONAL ITEMS, EXTRAS AND/OR CUSTOMER SELECTED MATERIALS ORDERED BY BUYER ("PURCHASE MONEY DEPOSIT") SHALL CONSTITUTE LIQUIDATED DAMAGES PAYABLE TO SELLER IS BUYER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY BECAUSE OF A DEFAULT BY BUYER.**

**B. THE PAYMENT OF SUCH LIQUIDATED DAMAGES TO SELLER SHALL CONSTITUTE THE EXCLUSIVE REMEDY OF SELLER ON ACCOUNT OF THE DEFAULT OF BUYER.**

**C. LIQUIDATED DAMAGES SHALL BE PAYABLE TO SELLER OUT OF BUYER'S DEPOSIT TOWARD PURCHASE OF THE PROPERTY ACCORDING TO THE FOLLOWING PROCEDURES:**

**(1) SELLER SHALL GIVE WRITTEN NOTICE ("SELLER'S NOTICE AND DEMAND"), IN THE MANNER PRESCRIBED BY SECTION 116.340 OF THE CODE OF CIVIL PROCEDURE FOR SERVICE IN A SMALL CLAIMS ACTION, TO ESCROW HOLDER AND TO BUYER THAT BUYER IS IN DEFAULT UNDER THE CONTRACT AND THAT SELLER IS DEMANDING THAT ESCROW HOLDER REMIT THE PURCHASE MONEY DEPOSIT TO SELLER AS LIQUIDATED DAMAGES UNLESS, WITHIN 20 DAYS, BUYER GIVES ESCROW HOLDER BUYER'S WRITTEN OBJECTION TO DISBURSEMENT OF PURCHASE MONEY AS LIQUIDATED DAMAGES ("BUYER'S OBJECTION").**

**(2) BUYER HAS A PERIOD OF 20 DAYS FROM THE DATE OF RECEIPT OF SELLER'S NOTICE AND DEMAND IN WHICH TO GIVE ESCROW HOLDER BUYER'S OBJECTION.**

**(3) IF BUYER FAILS TO GIVE ESCROW HOLDER BUYER'S OBJECTION WITHIN 20 DAYS FROM THE DATE OF RECEIPT OF SELLER'S NOTICE AND DEMAND: (i) ESCROW HOLDER SHALL PROMPTLY REMIT THE AMOUNT DEMANDED TO SELLER; AND (ii) SELLER IS RELEASED FROM ANY OBLIGATION TO SELL THE PROPERTY TO BUYER.**

**(4) IF BUYER GIVES ESCROW HOLDER BUYER'S OBJECTION WITHIN 20 DAYS FROM THE DATE OF RECEIPT OF SELLER'S NOTICE AND DEMAND, THEN THE DETERMINATION AS TO WHETHER SELLER IS ENTITLED TO THE DISBURSEMENT OF PURCHASE MONEY AS LIQUIDATED DAMAGES, AND EVERY OTHER CAUSE OF ACTION THAT HAS ARISEN BETWEEN BUYER AND SELLER UNDER THIS AGREEMENT, SHALL BE DECIDED IN ACCORDANCE WITH PARAGRAPHS 43 AND 43 OF THIS AGREEMENT.**

**(5) IF THE DETERMINATION AS TO WHETHER SELLER IS ENTITLED TO THE DISBURSEMENT OF PURCHASE MONEY AS LIQUIDATED DAMAGES IS REFERRED TO ARBITRATION, ANY FEE TO INITIATE ARBITRATION SHALL BE PAID BY SELLER, BUT THE COST OF ARBITRATION SHALL ULTIMATELY BE BORNE AS DETERMINED BY THE ARBITRATOR.**

**SELLER AGREES TO INDEMNIFY AND HOLD ESCROW HOLDER HARMLESS FROM ANY CLAIM BY BUYER ARISING OUT OF ANY DISTRIBUTIONS MADE BY ESCROW HOLDER IN ACCORDANCE WITH, AND PURSUANT TO, THE PROVISIONS OF THIS PARAGRAPH.**

**REMITTANCE OF THE AFORESAID LIQUIDATED DAMAGES TO SELLER SHALL PRECLUDE ANY RIGHT OF ACTION SELLER MAY HAVE TO CONTEST THE REASONABLENESS OF THE AMOUNT ACTUALLY PAID AS LIQUIDATED DAMAGES OR THE VALIDITY OF THIS LIQUIDATED DAMAGES PROVISION.**

**NOTE: 1: CIVIL CODE SECTION 1675(D) IS APPLICABLE TO THIS PROVISION. SECTION 1675(D) PROVIDES "IF THE AMOUNT ACTUALLY PAID PURSUANT TO THE LIQUIDATED DAMAGES PROVISION EXCEEDS 3 PERCENT OF THE PURCHASE PRICE, THE PROVISION IS INVALID UNLESS THE PARTY SEEKING TO UPHOLD THE PROVISION ESTABLISHES THAT THE AMOUNT ACTUALLY PAID IS REASONABLE AS LIQUIDATED DAMAGES.**

**NOTE 2: IF THE PROPERTY IS AN ATTACHED RESIDENTIAL CONDOMINIUM LOCATED WITHIN A STRUCTURE OF 10 OR MORE RESIDENTIAL CONDOMINIUM UNITS AND PARTIES HAVE AGREED TO LIQUIDATED DAMAGES IN THIS ADDENDUM, SELLER'S RETENTION OF ANY AMOUNT IS EXCESS OF 3 PERCENT OF THE PURCHASE PRICE SHALL BE SUBJECT TO CALIFORNIA CIVIL CODE § 1675(F).**

**43. MEDIATION:**

**A.** The Parties agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action. The mediation shall be conducted through the C.A.R. Real Estate Mediation Center for Consumers (**www.consumermediation.org**) or through any other mediation provider or service mutually agreed to by the Parties. The Parties **also agree to mediate any disputes or claims with Agent(s), who, in writing, agree to such mediation prior to, or within a reasonable time after, the dispute or claim is presented to the Agent.** If, for any dispute or claim to which this paragraph applies, any Party **(i)** commences an action without first attempting to resolve the matter through mediation, or **(ii)** before commencement of an action, refuses to mediate after a request has been made, then that Party shall not be entitled to recover attorney fees, even if they would otherwise be available to that Party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.

The fees necessary to initiate the mediation shall be advanced by Seller, with the costs of the mediation to be borne as determined by the parties. If the parties cannot resolve their dispute through mediation and they proceed to arbitration or court, then the costs of mediation shall be borne as determined by the arbitrator of judge.



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**B. ADDITIONAL MEDIATION TERMS: (i) Exclusions from this mediation agreement are specified in paragraph 44B; (ii) The obligation to mediate does not preclude the right of either Party to seek a preservation of rights under paragraph 44C; and (iii) Agent's rights and obligations are further specified in paragraph 44D. These terms apply even if the Arbitration of Disputes paragraph is not initialed.**

**44. ARBITRATION OF DISPUTES:**

**A. THE PARTIES AGREE THAT ANY CONTROVERSY BETWEEN THEM REGARDING LIQUIDATED DAMAGES, TERMINATION OF THIS AGREEMENT BEFORE CLOSE OF ESCROW, BUYER'S INTEREST IN THE PROPERTY OF OTHER ISSUES WHICH ARISE BEFORE CLOSE OF ESCROW, INCLUDING CONTROVERSY CREATED BY CONFLICTING NOTICES BY BUYER AND SELLER, AND THE DISPOSITION OF FUNDS HELD BY ESCROW HOLDER SHALL BE SETTLED BY ARBITRATION IN ACCORDANCE WITH THE COMMERCIAL ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION, PROVIDED THAT THOSE RULES ARE CONSISTENT WITH THE FOLLOWING REQUIREMENTS:**

**(1) THE FEES NECESSARY TO INITIATE THE ARBITRATION SHALL BE ADVANCED BY SELLER, WITH COSTS AND FEES (INCLUDING ONGOING COSTS AND FEES) TO BE PAID AS AGREED BY THE PARTIES. IF THE PARTIES CANNOT AGREE ON THE PAYMENT OF SUCH COSTS AND FEES, ALL COSTS AND FEES OF THE ARBITRATION SHALL ULTIMATELY BE BORNE AS DETERMINED BY THE ARBITRATION.**

**(2) THE ARBITRATION SHALL BE ADMINISTERED BY A NEUTRAL AND IMPARTIAL PERSON(S).**

**(3) A NEUTRAL AND IMPARTIAL INDIVIDUAL(S) SHALL BE APPOINTED TO SERVE AS ARBITRATOR(S) WITHIN THE SPECIFIED PERIOD OF TIME, WHICH SHALL IN NO EVENT BE MORE THAN 60 DAYS FROM THE ADMINISTRATOR'S RECEIPT OF A WRITTEN REQUEST FROM A PARTY TO ARBITRATE THE CLAIM OR DISPUTE. THE PROVISIONS OF SECTION 1297.121, OR 1297.124 OF THE CALIFORNIA CODE OF CIVIL PROCEDURE.**

**(4) THE VENUE OF THE ARBITRATION SHALL BE IN THE COUNTY WHERE THE PROPERTY IS LOCATED UNLESS THE BUYER AND SELLER AGREE TO SOME OTHER LOCATION.**

**(5) THE ARBITRATION SHALL BE COMMENCED PROMPTLY AND TIMELY IN ACCORDANCE WITH THE RULES OF ARBITRATION. IF THE RULES OF ARBITRATION DO NOT SPECIFY A DATE BY WHICH THE ARBITRATION MUST COMMENCE, THEN IT SHALL COMMENCE ON A DATE AGREED TO BY THE PARTIES. IF THE PARTIES CANNOT AGREE ON AN ARBITRATION COMMENCEMENT DATE, IT SHALL COMMENCE ON THE DATE DETERMINED BY THE ARBITRATOR(S).**

**(6) THE ARBITRATION SHALL BE CONDUCTED IN ACCORDANCE WITH RULES AND PROCEDURES WHICH ARE REASONABLE AND FAIR TO BUYER AND SELLER. THE AMERICAN ARBITRATION ASSOCIATION COMMERCIAL RULES OF ARBITRATION IN EFFECT AS OF THE DATE OF THIS AGREEMENT SHALL BE DEEMED IN COMPLIANCE WITH THIS REQUIREMENT.**

**(7) THE ARBITRATION SHALL CONCLUDE PROMPTLY AND TIMELY.**

**(8) THE ARBITRATOR(S) ARE AUTHORIZED TO PROVIDE ALL RECOGNIZED REMEDIES AVAILABLE IN LAW OR EQUITY FOR ANY CAUSE OF ACTION THAT IS THE BASIS OF THE ARBITRATION**

**(9) JUDGMENT UPON THE DECISION RENDERED BY THE ARBITRATOR(S) MAY BE ENTERED INTO ANY COURT HAVING PROPER JURISDICTION.**

**B. EXCLUSIONS: The following matters are excluded from mediation and arbitration: (i) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court; (ii) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code § 2985; and (iii) an unlawful detainer action.**

**C. PRESERVATION OF ACTIONS: The following shall not constitute a waiver nor violation of the mediation and arbitration provisions: (i) the filing of a court action to preserve a statute of limitations; (ii) the filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies; or (iii) the filing of a mechanic's lien.**

**D. AGENTS; REFERRAL LICENSEE: Neither Agents nor Referral Licensee shall not be obligated nor compelled to mediate or arbitrate unless they agree to do so in writing. Any Agent(s) or Referral Licensee participating in mediation or arbitration shall not be deemed a party to this Agreement.**

**E. "NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."**

**"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."**

**Buyer's Initials _____/_____ Seller's Initials _____/_____**



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**45. BUYER'S OFFER**

**A. EXPIRATION OF OFFER:** This offer shall be deemed revoked and the deposit, if any, shall be returned to Buyer unless by the date and time specified in **paragraph 4C**, the offer is Signed by Seller and a Copy of the Signed offer is Delivered to Buyer or Buyer's Authorized Agent. **Seller has no obligation to respond to an offer made.**

**B.** ☐ **ENTITY BUYERS: (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)**

(1) One or more Buyers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or ☐ Other: _____.

(2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 32** for additional terms.

(3) The name(s) of the Legally Authorized Signer(s) is/are: _____, _____.

(4) If a trust, identify Buyer as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust). If the entity is a trust or under probate, the following is the full name of the trust or probate case, including case #: _____.

**C.** The NCPA has 18 pages. Buyer acknowledges receipt of, and has read and understands, every page and all attachments that make up the Agreement.

**D. BUYER SIGNATURE(S):**

(Signature) By, _____ **Date:** _____

Printed name of BUYER: _____

☐ Printed Name of Legally Authorized Signer: _____ Title, if applicable, _____

(Signature) By, _____ **Date:** _____

Printed name of BUYER: _____

☐ Printed Name of Legally Authorized Signer: _____ Title, if applicable, _____

☐ IF MORE THAN TWO SIGNERS, USE Additional Signature Addendum (C.A.R. Form ASA).

**46. ACCEPTANCE**

**A. ACCEPTANCE OF OFFER:** Seller warrants that Seller is the owner of the Property or has the authority to execute this Agreement. Seller accepts the above offer and agrees to sell the Property on the above terms and conditions. Seller has read and acknowledges receipt of a Copy of this Agreement and authorizes Agent to Deliver a Signed Copy to Buyer.

**Seller's acceptance is subject to the attached Counter Offer or Back-Up Offer Addendum, or both, checked below.** Seller shall return and include the entire agreement with any response.

☐ **Seller Counter Offer** (C.A.R. Form SCO or SMCO)

☐ **Back-Up Offer Addendum** (C.A.R. Form BUO)

**Note to Seller: For property sold subject to a public report, for any counter offer or back-up addendum you intend to use with this Agreement, you must submit them to, and have them be accepted by, the DRE.**

**B.** ☐ **Entity Sellers: (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure form (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)**

(1) One or more Sellers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or ☐ Other _____.

(2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 32** for additional terms.

(3) The name(s) of the Legally Authorized Signer(s) is/are: _____, _____.

(4) If a trust, identify Seller as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust). If the entity is a trust or under probate, the following is the full name of the trust or probate case, including case #: _____.

**C.** The NCPA has 18 pages. Seller acknowledges receipt of, and has read and understands, every page and all attachments that make up the Agreement.

**D. SELLER SIGNATURE(S):**

(Signature) By, _____ **Date:** _____

Printed name of SELLER: _____

☐ Printed Name of Legally Authorized Signer: _____ Title, if applicable, _____

(Signature) By, _____ **Date:** _____

Printed name of SELLER: _____

☐ Printed Name of Legally Authorized Signer: _____ Title, if applicable, _____

☐ IF MORE THAN TWO SIGNERS, USE Additional Signature Addendum (C.A.R. Form ASA).

**OFFER NOT ACCEPTED:** _____/_____ No Counter Offer is being made. This offer was not accepted by Seller _____ (date)
Seller's Initials



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**REAL ESTATE BROKERS SECTION:**

1. **Real Estate Agents are not parties to the Agreement between Buyer and Seller.**
2. **Agency relationships are confirmed as stated in paragraph 3.**
3. **Cooperating Broker Compensation:** Seller's Broker agrees to pay Buyer's Broker and Buyer's Broker agrees to accept, out of Seller's Broker's proceeds in escrow, the amount specified in the MLS, provided Buyer's Broker is a Participant of the MLS in which the Property is offered for sale or a reciprocal MLS. If Seller's Broker and Buyer's Broker are not both Participants of the MLS, or a reciprocal MLS, in which the Property is offered for sale, then compensation must be specified in a separate written agreement (C.A.R. Form CBC). Declaration of License and Tax (C.A.R. Form DLT) may be used to document that tax reporting will be required or that an exemption exists.
4. **Presentation of Offer:** Pursuant to the National Association of REALTORS® Standard of Practice 1-7, if Buyer's Agent makes a written request, Seller's Agent shall confirm in writing that this offer has been presented to Seller.
5. **Agents' Signatures and designated electronic delivery address:**

**A.** Buyer's Brokerage Firm _____ Lic. # _____

By _____ Lic. # _____ Date _____

By _____ Lic. # _____ Date _____

☐ More than one agent from the same firm represents Buyer. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.
☐ More than one brokerage firm represents Buyer. Additional Broker Acknowledgement (C.A.R. Form ABA) attached.

**Designated Electronic Delivery Address(es):**

Email _____ Text # _____

Alternate: _____
☐ if checked, Delivery shall be made to the alternate designated electronic delivery address only.

Address _____ City _____ State _____ Zip _____

**B.** Seller's Brokerage Firm _____ Lic. # _____

By _____ Lic. # _____ Date _____

By _____ Lic. # _____ Date _____

☐ More than one agent from the same firm represents Seller. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.
☐ More than one brokerage firm represents Seller. Additional Broker Acknowledgement (C.A.R. Form ABA) attached.

**Designated Electronic Delivery Address(es):**

Email _____ Text # _____

Alternate: _____
☐ if checked, Delivery shall be made to the alternate designated electronic delivery address only.

Address _____ City _____ State _____ Zip _____

**ESCROW HOLDER ACKNOWLEDGMENT:**

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked, ☐ a deposit in the amount of $ _____), Counter Offer numbers _____ and _____, and agrees to act as Escrow Holder subject to **paragraph 22** of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

Escrow Holder is advised by _____ that the date of Acceptance of the Agreement is _____

Escrow Holder _____ Escrow # _____

By _____ Date _____

Address _____

Phone/Fax/E-mail _____

Escrow Holder has the following license number # _____

☐ Department of Financial Protection and Innovation, ☐ Department of Insurance, ☐ Department of Real Estate.

**PRESENTATION OF OFFER:** _____/_____ Seller's Brokerage Firm presented this offer to Seller on _____ (date).
Agent or Seller Initials

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# CALIFORNIA CONSUMER PRIVACY ACT ADVISORY, DISCLOSURE AND NOTICE

**(C.A.R. Form CCPA, Revised 12/21)**

The California Consumer Privacy Act (commencing with Civil Code § 1798.100) ("CCPA") grants to California residents certain rights in their private, personal information ("PI") that is collected by companies with whom they do business. Under the CCPA, PI is defined broadly to encompass non-public records information that could reasonably be linked directly or indirectly to you. PI could potentially include photographs of, or sales information about, your property.

During the process of buying and selling real estate your PI will be collected and likely shared with others, including real estate licensees, a Multiple Listing Service, real estate internet websites, service providers, lenders, and title and escrow companies, to name several possibilities. Businesses that are covered by the CCPA are required to grant you various rights in your PI, including the right to know what PI is collected, "opt out" or stop the transfer of your PI to others, and the right to request that the business delete your PI entirely. You may get one or more notices regarding your CCPA rights from businesses you interact with in a real estate transaction. However, not all businesses that receive or share your PI are obligated to comply with the CCPA. Also, even businesses that are otherwise covered under the CCPA may have a legal obligation to maintain PI, notwithstanding your instruction to the contrary. For instance, regardless of whether they are covered by CCPA, under California law, brokers and Multiple Listing Services are required to maintain their records for 3 years. If you wish to exercise your rights under CCPA, where applicable, you should contact the respective business directly.

You can obtain more information about the CCPA and your rights under the law from the State of California Department of Justice (oag.ca.gov/privacy/ccpa).

**I/we acknowledge receipt of a copy of this California Consumer Privacy Act Advisory, Disclosure and Notice.**

Buyer/Seller/Landlord/Tenant _____ Date _____

Buyer/Seller/Landlord/Tenant _____ Date _____

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**SB 800**
**CIVIL CODE §§ 895 - 945.5**
**TITLE 7. REQUIREMENTS FOR ACTIONS FOR CONSTRUCTION DEFECTS**

## CHAPTER 1. Definitions [895- 895.]

**895.**
(a) "Structure" means any residential dwelling, other building, or improvement located upon a lot or within a common area.

(b) "Designed moisture barrier" means an installed moisture barrier specified in the plans and specifications, contract documents, or manufacturer's recommendations.

(c) "Actual moisture barrier" means any component or material, actually installed, that serves to any degree as a barrier against moisture, whether or not intended as a barrier against moisture.

(d) "Unintended water" means water that passes beyond, around, or through a component or the material that is designed to prevent that passage.

(e) "Close of escrow" means the date of the close of escrow between the builder and the original homeowner. With respect to claims by an association, as defined in Section 4080, "close of escrow" means the date of substantial completion, as defined in Section 337.15 of the Code of Civil Procedure, or the date the builder relinquishes control over the association's ability to decide whether to initiate a claim under this title, whichever is later.

(f) "Claimant" or "homeowner" includes the individual owners of single-family homes, individual unit owners of attached dwellings and, in the case of a common interest development, any association as defined in Section 4080.

## CHAPTER 2. Actionable Defects [896 - 897]

**896.**

In any action seeking recovery of damages arising out of, or related to deficiencies in, the residential construction, design, specifications, surveying, planning, supervision, testing, or observation of construction, a builder, and to the extent set forth in Chapter 4 (commencing with Section 910), a general contractor, subcontractor, material supplier, individual product manufacturer, or design professional, shall, except as specifically set forth in this title, be liable for, and the claimant's claims or causes of action shall be limited to violation of, the following standards, except as specifically set forth in this title. This title applies to original construction intended to be sold as an individual dwelling unit. As to condominium conversions, this title does not apply to or does not supersede any other statutory or common law.
(a) With respect to water issues:
(1) A door shall not allow unintended water to pass beyond, around, or through the door or its designed or actual moisture barriers, if any.
(2) Windows, patio doors, deck doors, and their systems shall not allow water to pass beyond, around, or through the window, patio door, or deck door or its

designed or actual moisture barriers, including, without limitation, internal barriers within the systems themselves. For purposes of this paragraph, "systems" include, without limitation, windows, window assemblies, framing, substrate, flashings, and trim, if any.
(3) Windows, patio doors, deck doors, and their systems shall not allow excessive condensation to enter the structure and cause damage to another component. For purposes of this paragraph, "systems" include, without limitation, windows, window assemblies, framing, substrate, flashings, and trim, if any.
(4) Roofs, roofing systems, chimney caps, and ventilation components shall not allow water to enter the structure or to pass beyond, around, or through the designed or actual moisture barriers, including, without limitation, internal barriers located within the systems themselves. For purposes of this paragraph, "systems" include, without limitation, framing, substrate, and sheathing, if any.
(5) Decks, deck systems, balconies, balcony systems, exterior stairs, and stair systems shall not allow water to pass into the adjacent structure. For purposes of this paragraph, "systems" include, without limitation, framing, substrate, flashing, and sheathing, if any.
(6) Decks, deck systems, balconies, balcony systems, exterior stairs, and stair systems shall not allow unintended water to pass within the systems themselves and cause damage to the systems. For purposes of this paragraph, "systems" include, without limitation, framing, substrate, flashing, and sheathing, if any.
(7) Foundation systems and slabs shall not allow water or vapor to enter into the structure so as to cause damage to another building component.
(8) Foundation systems and slabs shall not allow water or vapor to enter into the structure so as to limit the installation of the type of flooring materials typically used for the particular application.
(9) Hardscape, including paths and patios, irrigation systems, landscaping systems, and drainage systems, that are installed as part of the original construction, shall not be installed in such a way as to cause water or soil erosion to enter into or come in contact with the structure so as to cause damage to another building component.
(10) Stucco, exterior siding, exterior walls, including, without limitation, exterior framing, and other exterior wall finishes and fixtures and the systems of those components and fixtures, including, but not limited to, pot shelves, horizontal surfaces, columns, and plant-ons, shall be installed in such a way so as not to allow unintended water to pass into the structure or to pass beyond, around, or through the designed or actual moisture barriers of the system, including any internal barriers located within the system itself. For purposes of this paragraph, "systems" include, without limitation, framing, substrate, flashings, trim, wall assemblies, and internal wall cavities, if any.
(11) Stucco, exterior siding, and exterior walls shall not allow excessive condensation to enter the structure and cause damage to another component. For purposes of this paragraph, "systems" include, without limitation, framing, substrate, flashings, trim, wall assemblies, and internal wall cavities, if any.
(12) Retaining and site walls and their associated drainage systems shall not allow unintended water to pass beyond, around, or through its designed or actual moisture barriers including, without limitation, any internal barriers, so as to cause

damage. This standard does not apply to those portions of any wall or drainage system that are designed to have water flow beyond, around, or through them.
(13) Retaining walls and site walls, and their associated drainage systems, shall only allow water to flow beyond, around, or through the areas designated by design.
(14) The lines and components of the plumbing system, sewer system, and utility systems shall not leak.
(15) Plumbing lines, sewer lines, and utility lines shall not corrode so as to impede the useful life of the systems.
(16) Sewer systems shall be installed in such a way as to allow the designated amount of sewage to flow through the system.
(17) Showers, baths, and related waterproofing systems shall not leak water into the interior of walls, flooring systems, or the interior of other components.
(18) The waterproofing system behind or under ceramic tile and tile countertops shall not allow water into the interior of walls, flooring systems, or other components so as to cause damage. Ceramic tile systems shall be designed and installed so as to deflect intended water to the waterproofing system.
(b) With respect to structural issues:
(1) Foundations, load bearing components, and slabs, shall not contain significant cracks or significant vertical displacement.
(2) Foundations, load bearing components, and slabs shall not cause the structure, in whole or in part, to be structurally unsafe.
(3) Foundations, load bearing components, and slabs, and underlying soils shall be constructed so as to materially comply with the design criteria set by applicable government building codes, regulations, and ordinances for chemical deterioration or corrosion resistance in effect at the time of original construction.
(4) A structure shall be constructed so as to materially comply with the design criteria for earthquake and wind load resistance, as set forth in the applicable government building codes, regulations, and ordinances in effect at the time of original construction.
(c) With respect to soil issues:
(1) Soils and engineered retaining walls shall not cause, in whole or in part, damage to the structure built upon the soil or engineered retaining wall.
(2) Soils and engineered retaining walls shall not cause, in whole or in part, the structure to be structurally unsafe.
(3) Soils shall not cause, in whole or in part, the land upon which no structure is built to become unusable for the purpose represented at the time of original sale by the builder or for the purpose for which that land is commonly used.
(d) With respect to fire protection issues:
(1) A structure shall be constructed so as to materially comply with the design criteria of the applicable government building codes, regulations, and ordinances for fire protection of the occupants in effect at the time of the original construction.
(2) Fireplaces, chimneys, chimney structures, and chimney termination caps shall be constructed and installed in such a way so as not to cause an unreasonable risk of fire outside the fireplace enclosure or chimney.
(3) Electrical and mechanical systems shall be constructed and installed in such a way so as not to cause an unreasonable risk of fire.
(e) With respect to plumbing and sewer issues:

Plumbing and sewer systems shall be installed to operate properly and shall not materially impair the use of the structure by its inhabitants. However, no action may be brought for a violation of this subdivision more than four years after close of escrow.
(f) With respect to electrical system issues:
Electrical systems shall operate properly and shall not materially impair the use of the structure by its inhabitants. However, no action shall be brought pursuant to this subdivision more than four years from close of escrow.
(g) With respect to issues regarding other areas of construction:
(1) Exterior pathways, driveways, hardscape, sidewalls, sidewalks, and patios installed by the original builder shall not contain cracks that display significant vertical displacement or that are excessive. However, no action shall be brought upon a violation of this paragraph more than four years from close of escrow.
(2) Stucco, exterior siding, and other exterior wall finishes and fixtures, including, but not limited to, pot shelves, horizontal surfaces, columns, and plant-ons, shall not contain significant cracks or separations.
(3) (A) To the extent not otherwise covered by these standards, manufactured products, including, but not limited to, windows, doors, roofs, plumbing products and fixtures, fireplaces, electrical fixtures, HVAC units, countertops, cabinets, paint, and appliances shall be installed so as not to interfere with the products' useful life, if any.
(B) For purposes of this paragraph, "useful life" means a representation of how long a product is warranted or represented, through its limited warranty or any written representations, to last by its manufacturer, including recommended or required maintenance. If there is no representation by a manufacturer, a builder shall install manufactured products so as not to interfere with the product's utility.
(C) For purposes of this paragraph, "manufactured product" means a product that is completely manufactured offsite.
(D) If no useful life representation is made, or if the representation is less than one year, the period shall be no less than one year. If a manufactured product is damaged as a result of a violation of these standards, damage to the product is a recoverable element of damages. This subparagraph does not limit recovery if there has been damage to another building component caused by a manufactured product during the manufactured product's useful life.
(E) This title does not apply in any action seeking recovery solely for a defect in a manufactured product located within or adjacent to a structure.
(4) Heating shall be installed so as to be capable of maintaining a room temperature of 70 degrees Fahrenheit at a point three feet above the floor in any living space if the heating was installed pursuant to a building permit application submitted prior to January 1, 2008, or capable of maintaining a room temperature of 68 degrees Fahrenheit at a point three feet above the floor and two feet from exterior walls in all habitable rooms at the design temperature if the heating was installed pursuant to a building permit application submitted on or before January 1, 2008.
(5) Living space air-conditioning, if any, shall be provided in a manner consistent with the size and efficiency design criteria specified in Title 24 of the California Code of Regulations or its successor.

(6) Attached structures shall be constructed to comply with interunit noise transmission standards set by the applicable government building codes, ordinances, or regulations in effect at the time of the original construction. If there is no applicable code, ordinance, or regulation, this paragraph does not apply. However, no action shall be brought pursuant to this paragraph more than one year from the original occupancy of the adjacent unit.
(7) Irrigation systems and drainage shall operate properly so as not to damage landscaping or other external improvements. However, no action shall be brought pursuant to this paragraph more than one year from close of escrow.
(8) Untreated wood posts shall not be installed in contact with soil so as to cause unreasonable decay to the wood based upon the finish grade at the time of original construction. However, no action shall be brought pursuant to this paragraph more than two years from close of escrow.
(9) Untreated steel fences and adjacent components shall be installed so as to prevent unreasonable corrosion. However, no action shall be brought pursuant to this paragraph more than four years from close of escrow.
(10) Paint and stains shall be applied in such a manner so as not to cause deterioration of the building surfaces for the length of time specified by the paint or stain manufacturers' representations, if any. However, no action shall be brought pursuant to this paragraph more than five years from close of escrow.
(11) Roofing materials shall be installed so as to avoid materials falling from the roof.
(12) The landscaping systems shall be installed in such a manner so as to survive for not less than one year. However, no action shall be brought pursuant to this paragraph more than two years from close of escrow.
(13) Ceramic tile and tile backing shall be installed in such a manner that the tile does not detach.
(14) Dryer ducts shall be installed and terminated pursuant to manufacturer installation requirements. However, no action shall be brought pursuant to this paragraph more than two years from close of escrow.
(15) Structures shall be constructed in such a manner so as not to impair the occupants' safety because they contain public health hazards as determined by a duly authorized public health official, health agency, or governmental entity having jurisdiction. This paragraph does not limit recovery for any damages caused by a violation of any other paragraph of this section on the grounds that the damages do not constitute a health hazard.

**897.**

The standards set forth in this chapter are intended to address every function or component of a structure. To the extent that a function or component of a structure is not addressed by these standards, it shall be actionable if it causes damage.

## CHAPTER 3. Obligations [900 - 907]

**900.**

As to fit and finish items, a builder shall provide a homebuyer with a minimum one-year express written limited warranty covering the fit and finish of the following building components. Except as otherwise provided by the standards specified in Chapter 2 (commencing with Section 896), this warranty shall cover the fit and finish of cabinets, mirrors, flooring, interior and exterior walls, countertops, paint finishes, and trim, but shall not apply to damage to those components caused by defects in other components governed by the other provisions of this title. Any fit and finish matters covered by this warranty are not subject to the provisions of this title. If a builder fails to provide the express warranty required by this section, the warranty for these items shall be for a period of one year.

**901.**

A builder may, but is not required to, offer greater protection or protection for longer time periods in its express contract with the homeowner than that set forth in Chapter 2 (commencing with Section 896). A builder may not limit the application of Chapter 2 (commencing with Section 896) or lower its protection through the express contract with the homeowner. This type of express contract constitutes an "enhanced protection agreement."

**902.**

If a builder offers an enhanced protection agreement, the builder may choose to be subject to its own express contractual provisions in place of the provisions set forth in Chapter 2 (commencing with Section 896). If an enhanced protection agreement is in place, Chapter 2 (commencing with Section 896) no longer applies other than to set forth minimum provisions by which to judge the enforceability of the particular provisions of the enhanced protection agreement.

**903.**

If a builder offers an enhanced protection agreement in place of the provisions set forth in Chapter 2 (commencing with Section 896), the election to do so shall be made in writing with the homeowner no later than the close of escrow. The builder shall provide the homeowner with a complete copy of Chapter 2 (commencing with Section 896) and advise the homeowner that the builder has elected not to be subject to its provisions. If any provision of an enhanced protection agreement is later found to be unenforceable as not meeting the minimum standards of Chapter 2 (commencing with Section 896), a builder may use this chapter in lieu of those provisions found to be unenforceable.

**904.**

If a builder has elected to use an enhanced protection agreement, and a homeowner disputes that the particular provision or time periods of the enhanced protection agreement are not greater than, or equal to, the provisions of Chapter 2 (commencing with Section 896) as they apply to the particular deficiency alleged by the homeowner, the homeowner may seek to enforce the application of the standards set forth in this chapter as to those claimed deficiencies. If a homeowner seeks to enforce a particular standard in lieu of a provision of the enhanced protection agreement, the homeowner shall give the builder written notice of that intent at the time the homeowner files a notice of claim pursuant to Chapter 4 (commencing with Section 910).

**905.**

If a homeowner seeks to enforce Chapter 2 (commencing with Section 896), in lieu of the enhanced protection agreement in a subsequent litigation or other legal action, the builder shall have the right to have the matter bifurcated, and to have an immediately binding determination of his or her responsive pleading within 60 days after the filing of that pleading, but in no event after the commencement of discovery, as to the application of either Chapter 2 (commencing with Section 896) or the enhanced protection agreement as to the deficiencies claimed by the homeowner. If the builder fails to seek that determination in the timeframe specified, the builder waives the right to do so and the standards set forth in this title shall apply. As to any nonoriginal homeowner, that homeowner shall be deemed in privity for purposes of an enhanced protection agreement only to the extent that the builder has recorded the enhanced protection agreement on title or provided actual notice to the nonoriginal homeowner of the enhanced protection agreement. If the enhanced protection agreement is not recorded on title or no actual notice has been provided, the standards set forth in this title apply to any nonoriginal homeowners' claims.

**906.**

A builder's election to use an enhanced protection agreement addresses only the issues set forth in Chapter 2 (commencing with Section 896) and does not constitute an election to use or not use the provisions of Chapter 4 (commencing with Section 910). The decision to use or not use Chapter 4 (commencing with Section 910) is governed by the provisions of that chapter.

**907.**

A homeowner is obligated to follow all reasonable maintenance obligations and schedules communicated in writing to the homeowner by the builder and product manufacturers, as well as commonly accepted maintenance practices. A failure by a homeowner to follow these obligations, schedules, and practices may subject the homeowner to the affirmative defenses contained in Section 944.

## CHAPTER 4. Prelitigation Procedure [910 - 938]

**910.**

Prior to filing an action against any party alleged to have contributed to a violation of the standards set forth in Chapter 2 (commencing with Section 896), the claimant shall initiate the following prelitigation procedures:
(a) The claimant or his or her legal representative shall provide written notice via certified mail, overnight mail, or personal delivery to the builder, in the manner prescribed in this section, of the claimant's claim that the construction of his or her residence violates any of the standards set forth in Chapter 2 (commencing with Section 896). That notice shall provide the claimant's name, address, and preferred method of contact, and shall state that the claimant alleges a violation pursuant to this part against the builder, and shall describe the claim in reasonable detail sufficient to determine the nature and location, to the extent known, of the claimed violation. In the case of a group of homeowners or an association, the notice may identify the claimants solely by address or other description sufficient to apprise the builder of the locations of the subject residences. That document shall have the same force and effect as a notice of commencement of a legal proceeding.
(b) The notice requirements of this section do not preclude a homeowner from seeking redress through any applicable normal customer service procedure as set forth in any contractual, warranty, or other builder-generated document; and, if a homeowner seeks to do so, that request shall not satisfy the notice requirements of this section.

**911.**

(a) For purposes of this title, except as provided in subdivision (b), "builder" means any entity or individual, including, but not limited to a builder, developer, general contractor, contractor, or original seller, who, at the time of sale, was also in the business of selling residential units to the public for the property that is the subject of the homeowner's claim or was in the business of building, developing, or constructing residential units for public purchase for the property that is the subject of the homeowner's claim.
(b) For the purposes of this title, "builder" does not include any entity or individual whose involvement with a residential unit that is the subject of the homeowner's claim is limited to his or her capacity as general contractor or contractor and who is not a partner, member of, subsidiary of, or otherwise similarly affiliated with the builder. For purposes of this title, these nonaffiliated general contractors and nonaffiliated contractors shall be treated the same as subcontractors, material suppliers, individual product manufacturers, and design professionals.

**912.**

A builder shall do all of the following:
(a) Within 30 days of a written request by a homeowner or his or her legal representative, the builder shall provide copies of all relevant plans, specifications,

mass or rough grading plans, final soils reports, Bureau of Real Estate public reports, and available engineering calculations, that pertain to a homeowner's residence specifically or as part of a larger development tract. The request shall be honored if it states that it is made relative to structural, fire safety, or soils provisions of this title. However, a builder is not obligated to provide a copying service, and reasonable copying costs shall be borne by the requesting party. A builder may require that the documents be copied onsite by the requesting party, except that the homeowner may, at his or her option, use his or her own copying service, which may include an offsite copy facility that is bonded and insured. If a builder can show that the builder maintained the documents, but that they later became unavailable due to loss or destruction that was not the fault of the builder, the builder may be excused from the requirements of this subdivision, in which case the builder shall act with reasonable diligence to assist the homeowner in obtaining those documents from any applicable government authority or from the source that generated the document. However, in that case, the time limits specified by this section do not apply.

(b) At the expense of the homeowner, who may opt to use an offsite copy facility that is bonded and insured, the builder shall provide to the homeowner or his or her legal representative copies of all maintenance and preventative maintenance recommendations that pertain to his or her residence within 30 days of service of a written request for those documents. Those documents shall also be provided to the homeowner in conjunction with the initial sale of the residence.

(c) At the expense of the homeowner, who may opt to use an offsite copy facility that is bonded and insured, a builder shall provide to the homeowner or his or her legal representative copies of all manufactured products maintenance, preventive maintenance, and limited warranty information within 30 days of a written request for those documents. These documents shall also be provided to the homeowner in conjunction with the initial sale of the residence.

(d) At the expense of the homeowner, who may opt to use an offsite copy facility that is bonded and insured, a builder shall provide to the homeowner or his or her legal representative copies of all of the builder's limited contractual warranties in accordance with this part in effect at the time of the original sale of the residence within 30 days of a written request for those documents. Those documents shall also be provided to the homeowner in conjunction with the initial sale of the residence.

(e) A builder shall maintain the name and address of an agent for notice pursuant to this chapter with the Secretary of State or, alternatively, elect to use a third party for that notice if the builder has notified the homeowner in writing of the third party's name and address, to whom claims and requests for information under this section may be mailed. The name and address of the agent for notice or third party shall be included with the original sales documentation and shall be initialed and acknowledged by the purchaser and the builder's sales representative.

This subdivision applies to instances in which a builder contracts with a third party to accept claims and act on the builder's behalf. A builder shall give actual notice to the homeowner that the builder has made such an election, and shall include the name and address of the third party.

(f) A builder shall record on title a notice of the existence of these procedures and a notice that these procedures impact the legal rights of the homeowner. This

information shall also be included with the original sales documentation and shall be initialed and acknowledged by the purchaser and the builder's sales representative.
(g) A builder shall provide, with the original sales documentation, a written copy of this title, which shall be initialed and acknowledged by the purchaser and the builder's sales representative.
(h) As to any documents provided in conjunction with the original sale, the builder shall instruct the original purchaser to provide those documents to any subsequent purchaser.
(i) Any builder who fails to comply with any of these requirements within the time specified is not entitled to the protection of this chapter, and the homeowner is released from the requirements of this chapter and may proceed with the filing of an action, in which case the remaining chapters of this part shall continue to apply to the action.

**913.**

A builder or his or her representative shall acknowledge, in writing, receipt of the notice of the claim within 14 days after receipt of the notice of the claim. If the notice of the claim is served by the claimant's legal representative, or if the builder receives a written representation letter from a homeowner's attorney, the builder shall include the attorney in all subsequent substantive communications, including, without limitation, all written communications occurring pursuant to this chapter, and all substantive and procedural communications, including all written communications, following the commencement of any subsequent complaint or other legal action, except that if the builder has retained or involved legal counsel to assist the builder in this process, all communications by the builder's counsel shall only be with the claimant's legal representative, if any.

**914.**

(a) This chapter establishes a nonadversarial procedure, including the remedies available under this chapter which, if the procedure does not resolve the dispute between the parties, may result in a subsequent action to enforce the other chapters of this title. A builder may attempt to commence nonadversarial contractual provisions other than the nonadversarial procedures and remedies set forth in this chapter, but may not, in addition to its own nonadversarial contractual provisions, require adherence to the nonadversarial procedures and remedies set forth in this chapter, regardless of whether the builder's own alternative nonadversarial contractual provisions are successful in resolving the dispute or ultimately deemed enforceable.
At the time the sales agreement is executed, the builder shall notify the homeowner whether the builder intends to engage in the nonadversarial procedure of this section or attempt to enforce alternative nonadversarial contractual provisions. If the builder elects to use alternative nonadversarial contractual provisions in lieu of this chapter, the election is binding, regardless of whether the builder's alternative nonadversarial contractual provisions are successful in resolving the ultimate dispute or are ultimately deemed enforceable.

(b) Nothing in this title is intended to affect existing statutory or decisional law pertaining to the applicability, viability, or enforceability of alternative dispute resolution methods, alternative remedies, or contractual arbitration, judicial reference, or similar procedures requiring a binding resolution to enforce the other chapters of this title or any other disputes between homeowners and builders. Nothing in this title is intended to affect the applicability, viability, or enforceability, if any, of contractual arbitration or judicial reference after a nonadversarial procedure or provision has been completed.

**915.**

If a builder fails to acknowledge receipt of the notice of a claim within the time specified, elects not to go through the process set forth in this chapter, or fails to request an inspection within the time specified, or at the conclusion or cessation of an alternative nonadversarial proceeding, this chapter does not apply and the homeowner is released from the requirements of this chapter and may proceed with the filing of an action. However, the standards set forth in the other chapters of this title shall continue to apply to the action.

**916.**

(a) If a builder elects to inspect the claimed unmet standards, the builder shall complete the initial inspection and testing within 14 days after acknowledgment of receipt of the notice of the claim, at a mutually convenient date and time. If the homeowner has retained legal representation, the inspection shall be scheduled with the legal representative's office at a mutually convenient date and time, unless the legal representative is unavailable during the relevant time periods. All costs of builder inspection and testing, including any damage caused by the builder inspection, shall be borne by the builder. The builder shall also provide written proof that the builder has liability insurance to cover any damages or injuries occurring during inspection and testing. The builder shall restore the property to its pretesting condition within 48 hours of the testing. The builder shall, upon request, allow the inspections to be observed and electronically recorded, video recorded, or photographed by the claimant or his or her legal representative.
(b) Nothing that occurs during a builder's or claimant's inspection or testing may be used or introduced as evidence to support a spoliation defense by any potential party in any subsequent litigation.
(c) If a builder deems a second inspection or testing reasonably necessary, and specifies the reasons therefor in writing within three days following the initial inspection, the builder may conduct a second inspection or testing. A second inspection or testing shall be completed within 40 days of the initial inspection or testing. All requirements concerning the initial inspection or testing shall also apply to the second inspection or testing.
(d) If the builder fails to inspect or test the property within the time specified, the claimant is released from the requirements of this section and may proceed with the filing of an action. However, the standards set forth in the other chapters of this title shall continue to apply to the action.

(e) If a builder intends to hold a subcontractor, design professional, individual product manufacturer, or material supplier, including an insurance carrier, warranty company, or service company, responsible for its contribution to the unmet standard, the builder shall provide notice to that person or entity sufficiently in advance to allow them to attend the initial, or if requested, second inspection of any alleged unmet standard and to participate in the repair process. The claimant and his or her legal representative, if any, shall be advised in a reasonable time prior to the inspection as to the identity of all persons or entities invited to attend. This subdivision does not apply to the builder's insurance company. Except with respect to any claims involving a repair actually conducted under this chapter, nothing in this subdivision shall be construed to relieve a subcontractor, design professional, individual product manufacturer, or material supplier of any liability under an action brought by a claimant.

**917.**

Within 30 days of the initial or, if requested, second inspection or testing, the builder may offer in writing to repair the violation. The offer to repair shall also compensate the homeowner for all applicable damages recoverable under Section 944, within the timeframe for the repair set forth in this chapter. Any such offer shall be accompanied by a detailed, specific, step-by-step statement identifying the particular violation that is being repaired, explaining the nature, scope, and location of the repair, and setting a reasonable completion date for the repair. The offer shall also include the names, addresses, telephone numbers, and license numbers of the contractors whom the builder intends to have perform the repair. Those contractors shall be fully insured for, and shall be responsible for, all damages or injuries that they may cause to occur during the repair, and evidence of that insurance shall be provided to the homeowner upon request. Upon written request by the homeowner or his or her legal representative, and within the timeframes set forth in this chapter, the builder shall also provide any available technical documentation, including, without limitation, plans and specifications, pertaining to the claimed violation within the particular home or development tract. The offer shall also advise the homeowner in writing of his or her right to request up to three additional contractors from which to select to do the repair pursuant to this chapter.

**918.**

Upon receipt of the offer to repair, the homeowner shall have 30 days to authorize the builder to proceed with the repair. The homeowner may alternatively request, at the homeowner's sole option and discretion, that the builder provide the names, addresses, telephone numbers, and license numbers for up to three alternative contractors who are not owned or financially controlled by the builder and who regularly conduct business in the county where the structure is located. If the homeowner so elects, the builder is entitled to an additional noninvasive inspection, to occur at a mutually convenient date and time within 20 days of the election, so as to permit the other proposed contractors to review the proposed site of the

repair. Within 35 days after the request of the homeowner for alternative contractors, the builder shall present the homeowner with a choice of contractors. Within 20 days after that presentation, the homeowner shall authorize the builder or one of the alternative contractors to perform the repair.

**919.**

The offer to repair shall also be accompanied by an offer to mediate the dispute if the homeowner so chooses. The mediation shall be limited to a four-hour mediation, except as otherwise mutually agreed before a nonaffiliated mediator selected and paid for by the builder. At the homeowner's sole option, the homeowner may agree to split the cost of the mediator, and if he or she does so, the mediator shall be selected jointly. The mediator shall have sufficient availability such that the mediation occurs within 15 days after the request to mediate is received and occurs at a mutually convenient location within the county where the action is pending. If a builder has made an offer to repair a violation, and the mediation has failed to resolve the dispute, the homeowner shall allow the repair to be performed either by the builder, its contractor, or the selected contractor.

**920.**

If the builder fails to make an offer to repair or otherwise strictly comply with this chapter within the times specified, the claimant is released from the requirements of this chapter and may proceed with the filing of an action. If the contractor performing the repair does not complete the repair in the time or manner specified, the claimant may file an action. If this occurs, the standards set forth in the other chapters of this part shall continue to apply to the action.

**921.**

(a) In the event that a resolution under this chapter involves a repair by the builder, the builder shall make an appointment with the claimant, make all appropriate arrangements to effectuate a repair of the claimed unmet standards, and compensate the homeowner for all damages resulting therefrom free of charge to the claimant. The repair shall be scheduled through the claimant's legal representative, if any, unless he or she is unavailable during the relevant time periods. The repair shall be commenced on a mutually convenient date within 14 days of acceptance or, if an alternative contractor is selected by the homeowner, within 14 days of the selection, or, if a mediation occurs, within seven days of the mediation, or within five days after a permit is obtained if one is required. The builder shall act with reasonable diligence in obtaining any such permit.
(b) The builder shall ensure that work done on the repairs is done with the utmost diligence, and that the repairs are completed as soon as reasonably possible, subject to the nature of the repair or some unforeseen event not caused by the builder or the contractor performing the repair. Every effort shall be made to complete the repair within 120 days.

**922.**

The builder shall, upon request, allow the repair to be observed and electronically recorded, video recorded, or photographed by the claimant or his or her legal representative. Nothing that occurs during the repair process may be used or introduced as evidence to support a spoliation defense by any potential party in any subsequent litigation.

**923.**

The builder shall provide the homeowner or his or her legal representative, upon request, with copies of all correspondence, photographs, and other materials pertaining or relating in any manner to the repairs.

**924.**

If the builder elects to repair some, but not all of, the claimed unmet standards, the builder shall, at the same time it makes its offer, set forth with particularity in writing the reasons, and the support for those reasons, for not repairing all claimed unmet standards.

**925.**

If the builder fails to complete the repair within the time specified in the repair plan, the claimant is released from the requirements of this chapter and may proceed with the filing of an action. If this occurs, the standards set forth in the other chapters of this title shall continue to apply to the action.

**926.**

The builder may not obtain a release or waiver of any kind in exchange for the repair work mandated by this chapter. At the conclusion of the repair, the claimant may proceed with filing an action for violation of the applicable standard or for a claim of inadequate repair, or both, including all applicable damages available under Section 944.

**927.**

If the applicable statute of limitations has otherwise run during this process, the time period for filing a complaint or other legal remedies for violation of any provision of this title, or for a claim of inadequate repair, is extended from the time of the original claim by the claimant to 100 days after the repair is completed, whether or not the particular violation is the one being repaired. If the builder fails to acknowledge the claim within the time specified, elects not to go through this statutory process, or fails to request an inspection within the time specified, the ime period for filing a complaint or other legal remedies for violation of any provision of this title is extended from the time of the original claim by the claimant to 45 days after the time for responding to the notice of claim has expired. If the builder elects to attempt to enforce its own nonadversarial procedure in lieu of the

procedure set forth in this chapter, the time period for filing a complaint or other legal remedies for violation of any provision of this part is extended from the time of the original claim by the claimant to 100 days after either the completion of the builder's alternative nonadversarial procedure, or 100 days after the builder's alternative nonadversarial procedure is deemed unenforceable, whichever is later.

**928.**

If the builder has invoked this chapter and completed a repair, prior to filing an action, if there has been no previous mediation between the parties, the homeowner or his or her legal representative shall request mediation in writing. The mediation shall be limited to four hours, except as otherwise mutually agreed before a nonaffiliated mediator selected and paid for by the builder. At the homeowner's sole option, the homeowner may agree to split the cost of the mediator and if he or she does so, the mediator shall be selected jointly. The mediator shall have sufficient availability such that the mediation will occur within 15 days after the request for mediation is received and shall occur at a mutually convenient location within the county where the action is pending. In the event that a mediation is used at this point, any applicable statutes of limitations shall be tolled from the date of the request to mediate until the next court day after the mediation is completed, or the 100-day period, whichever is later.

**929.**

(a) Nothing in this chapter prohibits the builder from making only a cash offer and no repair. In this situation, the homeowner is free to accept the offer, or he or she may reject the offer and proceed with the filing of an action. If the latter occurs, the standards of the other chapters of this title shall continue to apply to the action.
(b) The builder may obtain a reasonable release in exchange for the cash payment. The builder may negotiate the terms and conditions of any reasonable release in terms of scope and consideration in conjunction with a cash payment under this chapter.

**930.**

(a) The time periods and all other requirements in this chapter are to be strictly construed, and, unless extended by the mutual agreement of the parties in accordance with this chapter, shall govern the rights and obligations under this title. If a builder fails to act in accordance with this section within the timeframes mandated, unless extended by the mutual agreement of the parties as evidenced by a postclaim written confirmation by the affected homeowner demonstrating that he or she has knowingly and voluntarily extended the statutory timeframe, the claimant may proceed with filing an action. If this occurs, the standards of the other chapters of this title shall continue to apply to the action.
(b) If the claimant does not conform with the requirements of this chapter, the builder may bring a motion to stay any subsequent court action or other proceeding

until the requirements of this chapter have been satisfied. The court, in its discretion, may award the prevailing party on such a motion, his or her attorney's fees and costs in bringing or opposing the motion.

**931.**

If a claim combines causes of action or damages not covered by this part, including, without limitation, personal injuries, class actions, other statutory remedies, or fraud-based claims, the claimed unmet standards shall be administered according to this part, although evidence of the property in its unrepaired condition may be introduced to support the respective elements of any such cause of action. As to any fraud-based claim, if the fact that the property has been repaired under this chapter is deemed admissible, the trier of fact shall be informed that the repair was not voluntarily accepted by the homeowner. As to any class action claims that address solely the incorporation of a defective component into a residence, the named and unnamed class members need not comply with this chapter.

**932.**

Subsequently discovered claims of unmet standards shall be administered separately under this chapter, unless otherwise agreed to by the parties. However, in the case of a detached single family residence, in the same home, if the subsequently discovered claim is for a violation of the same standard as that which has already been initiated by the same claimant and the subject of a currently pending action, the claimant need not reinitiate the process as to the same standard. In the case of an attached project, if the subsequently discovered claim is for a violation of the same standard for a connected component system in the same building as has already been initiated by the same claimant, and the subject of a currently pending action, the claimant need not reinitiate this process as to that standard.

**933.**

If any enforcement of these standards is commenced, the fact that a repair effort was made may be introduced to the trier of fact. However, the claimant may use the condition of the property prior to the repair as the basis for contending that the repair work was inappropriate, inadequate, or incomplete, or that the violation still exists. The claimant need not show that the repair work resulted in further damage nor that damage has continued to occur as a result of the violation.
*(Added by Stats. 2002, Ch. 722, Sec. 3. Effective January 1, 2003.)*

**934.**

Evidence of both parties' conduct during this process may be introduced during a subsequent enforcement action, if any, with the exception of any mediation. Any repair efforts undertaken by the builder, shall not be considered settlement communications or offers of settlement and are not inadmissible in evidence on such a basis.

**935.**

To the extent that provisions of this chapter are enforced and those provisions are substantially similar to provisions in Section 6000, but an action is subsequently commenced under Section 6000, the parties are excused from performing the substantially similar requirements under Section 6000.

**936.**

Each and every provision of the other chapters of this title apply to general contractors, subcontractors, material suppliers, individual product manufacturers, and design professionals to the extent that the general contractors, subcontractors, material suppliers, individual product manufacturers, and design professionals caused, in whole or in part, a violation of a particular standard as the result of a negligent act or omission or a breach of contract. In addition to the affirmative defenses set forth in Section 945.5, a general contractor, subcontractor, material supplier, design professional, individual product manufacturer, or other entity may also offer common law and contractual defenses as applicable to any claimed violation of a standard. All actions by a claimant or builder to enforce an express contract, or any provision thereof, against a general contractor, subcontractor, material supplier, individual product manufacturer, or design professional is preserved. Nothing in this title modifies the law pertaining to joint and several liability for builders, general contractors, subcontractors, material suppliers, individual product manufacturer, and design professionals that contribute to any specific violation of this title. However, the negligence standard in this section does not apply to any general contractor, subcontractor, material supplier, individual product manufacturer, or design professional with respect to claims for which strict liability would apply.

**937.**

Nothing in this title shall be interpreted to eliminate or abrogate the requirement to comply with Section 411.35 of the Code of Civil Procedure or to affect the liability of design professionals, including architects and architectural firms, for claims and damages not covered by this title.

**938.**

This title applies only to new residential units where the purchase agreement with the buyer was signed by the seller on or after January 1, 2003.

## CHAPTER 5. Procedure [941 - 945.5]

### 941.

(a) Except as specifically set forth in this title, no action may be brought to recover under this title more than 10 years after substantial completion of the improvement but not later than the date of recordation of a valid notice of completion.
(b) As used in this section, "action" includes an action for indemnity brought against a person arising out of that person's performance or furnishing of services or materials referred to in this title, except that a cross-complaint for indemnity may be filed pursuant to subdivision (b) of Section 428.10 of the Code of Civil Procedure in an action which has been brought within the time period set forth in subdivision (a).
(c) The limitation prescribed by this section may not be asserted by way of defense by any person in actual possession or the control, as owner, tenant or otherwise, of such an improvement, at the time any deficiency in the improvement constitutes the proximate cause for which it is proposed to make a claim or bring an action.
(d) Sections 337.15 and 337.1 of the Code of Civil Procedure do not apply to actions under this title.
(e) Existing statutory and decisional law regarding tolling of the statute of limitations shall apply to the time periods for filing an action or making a claim under this title, except that repairs made pursuant to Chapter 4 (commencing with Section 910), with the exception of the tolling provision contained in Section 927, do not extend the period for filing an action, or restart the time limitations contained in subdivision (a) or (b) of Section 7091 of the Business and Professions Code. If a builder arranges for a contractor to perform a repair pursuant to Chapter 4 (commencing with Section 910), as to the builder the time period for calculating the statute of limitation in subdivision (a) or (b) of Section 7091 of the Business and Professions Code shall pertain to the substantial completion of the original construction and not to the date of repairs under this title. The time limitations established by this title do not apply to any action by a claimant for a contract or express contractual provision. Causes of action and damages to which this chapter does not apply are not limited by this section.

### 942.

In order to make a claim for violation of the standards set forth in Chapter 2 (commencing with Section 896), a homeowner need only demonstrate, in accordance with the applicable evidentiary standard, that the home does not meet the applicable standard, subject to the affirmative defenses set forth in Section 945.5. No further showing of causation or damages is required to meet the burden of proof regarding a violation of a standard set forth in Chapter 2 (commencing with Section 896), provided that the violation arises out of, pertains to, or is related to, the original construction.

**943.**

(a) Except as provided in this title, no other cause of action for a claim covered by this title or for damages recoverable under Section 944 is allowed. In addition to the rights under this title, this title does not apply to any action by a claimant to enforce a contract or express contractual provision, or any action for fraud, personal injury, or violation of a statute. Damages awarded for the items set forth in Section 944 in such other cause of action shall be reduced by the amounts recovered pursuant to Section 944 for violation of the standards set forth in this title.
(b) As to any claims involving a detached single-family home, the homeowner's right to the reasonable value of repairing any nonconformity is limited to the repair costs, or the diminution in current value of the home caused by the nonconformity, whichever is less, subject to the personal use exception as developed under common law.

**944.**

If a claim for damages is made under this title, the homeowner is only entitled to damages for the reasonable value of repairing any violation of the standards set forth in this title, the reasonable cost of repairing any damages caused by the repair efforts, the reasonable cost of repairing and rectifying any damages resulting from the failure of the home to meet the standards, the reasonable cost of removing and replacing any improper repair by the builder, reasonable relocation and storage expenses, lost business income if the home was used as a principal place of a business licensed to be operated from the home, reasonable investigative costs for each established violation, and all other costs or fees recoverable by contract or statute.

**945.**

The provisions, standards, rights, and obligations set forth in this title are binding upon all original purchasers and their successors-in-interest. For purposes of this title, associations and others having the rights set forth in Sections 5980 and 5985 shall be considered to be original purchasers and shall have standing to enforce the provisions, standards, rights, and obligations set forth in this title.

**945.5.**

A builder, general contractor, subcontractor, material supplier, individual product manufacturer, or design professional, under the principles of comparative fault pertaining to affirmative defenses, may be excused, in whole or in part, from any obligation, damage, loss, or liability if the builder, general contractor, subcontractor, material supplier, individual product manufacturer, or design professional, can demonstrate any of the following affirmative defenses in response to a claimed violation:

(a) To the extent it is caused by an unforeseen act of nature which caused the structure not to meet the standard. For purposes of this section an "unforeseen act of nature" means a weather condition, earthquake, or manmade event such as war, terrorism, or vandalism, in excess of the design criteria expressed by the applicable building codes, regulations, and ordinances in effect at the time of original construction.
(b) To the extent it is caused by a homeowner's unreasonable failure to minimize or prevent those damages in a timely manner, including the failure of the homeowner to allow reasonable and timely access for inspections and repairs under this title. This includes the failure to give timely notice to the builder after discovery of a violation, but does not include damages due to the untimely or inadequate response of a builder to the homeowner's claim.
(c) To the extent it is caused by the homeowner or his or her agent, employee, general contractor, subcontractor, independent contractor, or consultant by virtue of their failure to follow the builder's or manufacturer's recommendations, or commonly accepted homeowner maintenance obligations. In order to rely upon this defense as it relates to a builder's recommended maintenance schedule, the builder shall show that the homeowner had written notice of these schedules and recommendations and that the recommendations and schedules were reasonable at the time they were issued.
(d) To the extent it is caused by the homeowner or his or her agent's or an independent third party's alterations, ordinary wear and tear, misuse, abuse, or neglect, or by the structure's use for something other than its intended purpose.
(e) To the extent that the time period for filing actions bars the claimed violation.
(f) As to a particular violation for which the builder has obtained a valid release.
(g) To the extent that the builder's repair was successful in correcting the particular violation of the applicable standard.
(h) As to any causes of action to which this statute does not apply, all applicable affirmative defenses are preserved.

CALIFORNIA ASSOCIATION OF REALTORS®

# NEW CONSTRUCTION PROPERTY DISCLOSURE STATEMENT

**(C.A.R. Form NCDS, Revised 12/21)**

SELLER: _____ Lot: _____

BUYER: _____ Phase: _____

This Property Disclosure Statement ("Statement") is provided to Buyer in connection with the New Construction Residential Purchase Agreement and Joint Escrow Instructions entered into between Buyer and Seller dated _____ ("Agreement") for the purchase of the therein-referenced real property ("Property"), with reference to the Property and the project in which the Property is located ("Project").

1. **BOUNDARY LINES:** The grading of the Project may result in the boundary lines for the Property not being located at either the top or the bottom of any slopes. The Final Map and/or Condominium Plan determines the boundary lines for the Project, not by grading or topography. The perimeter and/or fences of the Property and the Project are located according to the grading of the slopes, and may not necessarily be located on the boundary lines. Buyer should consult with a registered civil engineer about any questions regarding boundaries.
2. **GRADING:** The Project was graded according to the drainage specifications established by the appropriate governmental agency and Seller will not be responsible for the drainage characteristics, subsurface moisture or erosion of the Project in the event of any changes to the grade, whether through the installation of landscaping or otherwise. Buyer is advised not to make any changes to the grade or the lot without the prior written consent of Seller or, if applicable, the Architectural Committee established for the Project, if any, and, if required, by the ordinances or regulations of any governmental agency. Buyer understands that failure to adequately landscape the Property may result in erosion and resulting changes in the drainage of the Project.
3. **SOILS CONDITION:** Soils and geotechnical conditions vary throughout California, and soils are often expansive or composed of large amounts of rock and may react in differing manners to various structural loads. Seller makes no representations or warranty as to the adequacy of the soils' condition for improvements other than those constructed by Seller. Buyer is advised to engage the services of a qualified contractor and geotechnical engineer for the installation of any improvements (including, without limitation, swimming pools and spas) to ensure appropriate design and construction methods, including proper drainage and stabilization measures. Due to differing geologic conditions, design methods vary from location to location.
4. **MOISTURE PERCOLATION:** Due to varying soil conditions on the Property and/or surrounding area, some planting areas on the Property may be resistant to moisture percolation. For example, irrigation water may collect beneath a tree rather than percolate into the ground and could cause the tree to become over-saturated or "waterlogged" and wither and die if adequate protection measures are not taken. Buyer is advised to employ the services of a professional when planning and installing Buyer's landscaping, irrigation and drainage system to properly address the soils condition of the Property and the surrounding area.
5. **DRAINAGE:** The Property has been designed to adequately accommodate anticipated drainage and water runoff. Area drains and/or swales may be located on the Property. If Buyer installs and/or changes landscaping, realigns or interferes with the existing grade or in any way interferes with such area drains and/or swales, Buyer may cause blockage in the existing drainage system and flooding, subsidence of supporting soil, or other damage to the Property and/or nearby properties. Buyer is advised to employ the services of a professional when installing and/or changing landscaping, realigning or interfering with the existing grade or interfering with such area drains or swales, and to take adequate precautions to ensure proper drainage.
6. **SWIMMING POOLS:** Some of the lots in the Project may be made of natural cut soil. Some of these cut lots contain rock, which will make it difficult to excavate for an in-ground swimming pool. Seller makes no warranty or assurance with reference to the Property being able to accept such a pool. Buyer is advised to use an outside consultant if Buyer needs clarification with regard to the Property being able to accept a swimming pool.
7. **WATERBEDS:** The residence constructed on the Property has not been designed to support waterbeds or other personal property items of similar weight. Placement of such property above the ground floor level may exceed the design live load, which could cause serious safety hazards. Seller shall not be responsible for any damage or injury caused by such items.
8. **EASEMENTS AND OTHER MATTERS OF RECORD:** Buyer acknowledges that Buyer has reviewed the Final Map for the Project and will read and approve the preliminary (title) report for the Property prior to the Close Of Escrow. Additional easements and other matters of record may also be included in the Project after the date of the Agreement which could affect the Property purchased by Buyer. Seller specifically refers Buyer to the preliminary (title) report prepared in connection with Buyer's purchase of the Property as to the existence and location of easements and other matters affecting the Property.
9. **UTILITIES:** Buyer is responsible for requesting installation of utility meters and for obtaining service for telephone, electricity, gas, water, cable television and garbage service, as applicable, prior to the Close Of Escrow. As of Close Of Escrow, all utilities under Seller's name will be terminated.
10. **AREAS OUTSIDE OF PROJECT:** Seller makes no representation nor takes responsibility for any activity or condition that takes place or arises on any area outside of the Project.
11. **HAZARDOUS MATERIALS:** Seller makes no warranty as to the existence on, in, under or about the Project, or on any adjoining property, of any hazardous or toxic substances or petroleum products (collectively, "Hazardous Materials"), except that Seller represents that it has no actual knowledge as of the Close Of Escrow of the existence of any Hazardous Materials on, in or under the

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Buyer acknowledge's receipt of a copy of this page.



Buyer's Initials _____/ _____

EQUAL HOUSING OPPORTUNITY



Community Assets Realty, 1535A Fred Jackson Way Richmond, CA 94801 Phone: (510) 691-4815 Fax: (510) 221-2599 test
Darlene Williams Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201 www.lwolf.com

Project or any adjoining properties. Buyer acknowledges that Buyer is assuming the risk of the existence of such Hazardous Materials in, on or about the Project, except to the extent the same were placed on the Project by Seller or Seller had actual knowledge of the same as of the Close Of Escrow, and Buyer hereby waives any claim or cause of action against Seller arising out of the existence of any such unknown Hazardous Materials. Buyer is advised to engage qualified experts and inquire of governmental officials regarding all possible hazards.

12. **PLANS AND DIMENSIONS:** The blueprint drawings, sales brochures, plot plans, improvement plans, and other documents and information regarding the Property and the Project all contain dimensions that are approximate. They are not intended to be precise dimensions with regard to the subdivision and its improvements. Construction will occur in substantial conformance with the plans and specifications therefor, but dimensions will vary based on factors such as construction variances, method of measurement, architectural modifications, etc.
13. **CHANGES BY SELLER:** Seller may change its pricing, product, development plan and/or marketing methods for the Project or other phases of the Project, including, without limitation, the following that may adversely affect the value of the Project:
    - **A.** Seller may elect to sell other residences, lots or units in the current phase of the Project, or in future phases, under terms and conditions that are more favorable than those offered to Buyer;
    - **B.** Seller may elect to sell residences, lots, or units in bulk to another builder or by auction (with or without reserve) to members of the general public under terms and conditions that are more favorable than those offered to Buyer;
    - **C.** Seller may elect not to build residences on each lot in the current phase or future phases of the Project, or may elect to build different types or sizes of residences on smaller or larger lots, or may use different construction methods to build such residences; and
    - **D.** Seller may elect to build residences of the same type as the Property in the current or future phases, but to reduce the sales price for such residences, or to improve such residences with more or less expensive features and amenities.
14. **CONSTRUCTION AND SALES ACTIVITY:** If all of the residences and related development in the Project have not been completed, some inconvenience will be experienced due to increased noise and dust caused by construction and sales traffic and activities. Construction areas are for construction traffic and personnel only and are not open to the public.
15. **PERIMETER WALLS AND FENCES:** The location of any fences and walls to be installed in connection with the Property may vary from the exhibits and drawings. Seller may change or alter its plans for fences and walls and/or substitute materials used in connection with such fences and walls, without notice to Buyer, provided that such changes or substitutions are acceptable to any governmental agencies having jurisdiction over the Project.
16. **VARIATIONS IN COLOR -TILE, GROUT, STONE, AND WOOD:** Certain tiles have a color variance from tile to tile and the consistency of color in tiles is not warrantied by Seller. Colored tile grout may be used as a decorator feature on certain tile areas and the color shade may vary on a particular installation due to the wide variety of tiles available, job site conditions and finishing techniques. The elements of nature, including, but not limited to, sun, temperature, food or chemical reactions, may combine with the aging process to change the color of grout in varying degrees from time to time. In the event that repairs or replacement of tile grout are required in the future, it may be impossible to match the original color of the tile or tile grout. The use of colored grout may result in discoloration, flecking and/or cracked appearance of the ceramic tile in the areas where colored grout is used. Because marble, stone and some tiles are natural materials, the color of any such product installed as an option may vary from the model sample. Similarly, the finish color and the color of the wood of any natural wood cabinets installed may vary from the samples displayed in the models and the consistency in color of the wood cabinets installed in the Property is not warrantied.
17. **BUILDING EXTERIORS:** Stucco, like concrete, is a cement-based product subject to hairline cracks due to, among other reasons, drying shrinkage, settlement, wood shrinkage, earthquakes and weather conditions. Buyer is advised that some cracking is customary at the corners of windows and doors. Buyer acknowledges that, if repairs are made to such cracks, a perfect match of colors is not possible.
18. **MISCELLANEOUS:** Seller has not made any written or oral statement, representation or warranty with respect to the Property or the Project that is not specifically set forth in the Agreement, including, but not limited to, any representations of the following:
    - **A.** That prices will increase or that the Property's value will appreciate. Seller reserves the right to increase or decrease prices for future sales within the Project at any time without notice.
    - **B.** The availability of any school or school facilities for the Project.
    - **C.** The existence of any "view" from the Property or that any existing "view" will not be obstructed in the future.
    - **D.** Traffic conditions in or near the Property.
    - **E.** Any future use of the Project or adjacent properties.

Date _____ BUYER _____

**(Print Name)** _____

Date _____ BUYER _____

**(Print Name)** _____

_____

(Address)

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