

**Agreement No. 17 -**

**LEASE AND MEMORANDUM OF UNDERSTANDING  
BETWEEN THE COUNTY OF YOLO AND YOLO COUNTY HOUSING**

This Lease and Memorandum of Understanding (MOU) is entered into this 11th day of September, 2018, by and between the County of Yolo (County) and Yolo County Housing, (formally known as the Housing Authority of the County of Yolo, hereinafter YCH), a public body corporate and politic, to establish a partnership that will provide Property and Physical Asset Management for the following property purchased by Yolo County Housing with funding provided by Intergovernmental Transfer funding, which property is identified as the single-family residence located at 166 Buckeye Street, Woodland, CA 95695.

This MOU, which shall have commenced on December 4, 2017 and continue subject to the termination provisions contained below, replaces and supersedes the Memorandum of Understanding between County and YCH dated January 1, 2017. This MOU constitutes the entire agreement of the parties, and no other agreements or representations, oral or written, have been made or relied upon by either party. This MOU may only be amended in writing signed by both parties, and any other purported amendment shall be of no force or effect. This MOU shall be subject to disclosure pursuant to the California Public Records Act.

**I. LEASE OF RESIDENCE.**

**A. Acknowledgement of Use of Intergovernmental Transfer Funds and Purpose of Lease.**

1. County and YCH acknowledge and agree that the source of funds for the purchase and renovation of the Residence was Intergovernmental Transfer monies allocated to the County of Yolo. Said funds were provided to YCH for the purchase and renovation of the Residence pursuant to the Memoranda of Understanding between County and YCH for the purpose of obtaining housing that could be used by YCH for operating transitional housing programs for a Yolo County Step Down program for Medi-Cal eligible and justice involved population in Yolo County.

2. County and YCH acknowledge and agree that YCH took and holds title to the Residence.

3. County and YCH acknowledge and agree that YCH's title to the Residence is subject to the terms of this MOU, and further agree that during the effective period of this MOU and upon the termination of this MOU as provided herein, the Residence shall be subject to the

provisions of this MOU dealing with the disposition of the Residence upon termination (Section V., below).

4. During the term of this MOU, YCH agrees not to sell, encumber or transfer any interest in the title of the Residence without the express written consent of County as duly authorized by the Yolo County Board of Supervisors.

5. The parties agree that a copy of this Lease and MOU shall be recorded with the County of Yolo Recorder.

**B. Lease Term.**

1. YCH shall lease the Residence to the County of Yolo in exchange for the promises and performances contained in this MOU.

2. The initial term of the lease shall commence on the effective date of this MOU and continue until June 30, 2019. The lease shall continue for successive one (1) year terms from July 1 of each year to June 30 of the following year, unless terminated on sixty (60) days written notice by either party or as otherwise provided in this MOU.

3. Notwithstanding any other provision of this MOU, the lease shall terminate on June 30, 2033, unless renewed by the parties in writing or unless a new lease agreement is substituted in place of this MOU.

**II. MANAGEMENT OF RESIDENCE.**

**A. Responsibilities of County or with Designee:**

1. County and/or its designee will identify appropriate clients from its programs to occupy the Residence as transitional housing. County and/or its designee will also be responsible for transitioning out residents who will not longer be under probation and graduating from the program.

2. County and/or its designee will collect any and all rents from client-occupants of the Residence.

3. County and/or its designee will review with and explain to clients all paperwork having to do with housing, housing expenses, personal expenses, loan agreements, releases of information, etc., which the clients may need to complete in order to live in either of the Residence.

4. County and/or its designated subcontractor will assist client-occupants to obtain General Assistance funding or other public assistance to contribute toward rent, which shall be payable to County or its designated subcontractor.

5. County and/or its designated subcontractor will assist client-occupants in meeting house rules that client-occupants must abide by, which rules will be modified as needed over time. No pets shall be allowed, except for those needed as a reasonable accommodation under the Fair Housing Act, the California Fair Employment and Housing Act, or the American with Disabilities Act. Client-occupants may only smoke outside in the backyard of the Residence; no indoor, front yard or front porch smoking is permitted at the Residence.

6. County and/or its designee will provide supportive housing services to client-occupants of the Residence, which services will include (but not be limited to), identifying and purchasing necessary items for the home over and above those provided by YCH, dealing appropriately with problems in the home, and maintaining good relationships with housemates and with neighbors. The services provided to client-occupants shall be the sole responsibility of County and/or its designee. All decisions relating to whether a client continues to reside in the Residence and/or receive such services shall be the responsibility of County and/or its designee.

7. County and/or its designee will participate with YCH staff in regular house meetings with the client-occupants of the Residence.

8. County and/or its designee shall be responsible to communicate promptly with YCH regarding any issues or problems relating to management of the physical property of the Residence, including reporting work order needs for correction.

9. County and/or its designee agree to comply with all of the covenants, conditions and restrictions (CC&Rs) applicable to the Residence.

**B. Responsibilities of YCH:**

1. YCH will maintain the physical and structural safety of the structures and yards of the Residence.

2. YCH will provide maintenance and repairs for the structures and yards of the Residence, except for the following: Client-occupants shall be responsible for mowing the yards at the Buckeye property and client-occupants shall be responsible for maintaining yards, including weeding, mowing and watering. YCH will respond within twenty-four (24) hours to emergency maintenance or repair requests, within seventy-two (72) hours to hazard maintenance or repair requests, and within thirty (30) days to all other requests made by County, client-occupants and/or County's designee. The parties understand that these time frames may need to be extended if parts required for maintenance or repairs are not immediately available and must be ordered.

3. YCH will provide 24-hour availability for emergency maintenance or repair needs in the structures and yards of the Residence.

4. YCH will provide ongoing yard maintenance for the Residence, except as provided in subparagraph 2 of this subsection B.

5. YCH will accept comments and complaints from neighbors and other members of the public concerning the Residence, whether offered in person or over the phone. Non-emergency complaints and comments shall be documented and conveyed to County and/or its

designated subcontractor, within one (1) business day; emergency calls shall be referred to the appropriate emergency services agency or agencies (Police, Fire, Ambulance, etc.) and to the telephone number(s) provided for this purpose by County and/or its designee.

6. YCH will submit a year end status report for work orders, damages, and client-occupant performance. This report will be submitted within sixty (60) days of the end of the fiscal year.

7. YCH will deliver Rent Ready Curriculum and issue Certificates of Completion from program.

### **C. Responsibilities of Both Parties:**

1. County, its designee, and YCH will be responsible to communicate promptly among the parties any relevant problems, issues, needs, complaints, or other feedback, whether positive or negative.

2. Any and all issues relating to client-occupant safety shall be paramount, and resolution of any such issues shall be considered the highest priority of the parties to this memorandum.

3. The Residence shall be maintained to serve as transitional housing for clients as necessary. Should it become necessary to remove any client-occupant of the Residence, said removal shall be done in accordance with relevant applicable law. County or its designee shall be solely responsible for handling any necessary removal.

## **III. COMPENSATION**

### **A. Regular Annual Compensation**

1. YCH shall be entitled to compensation on a monthly basis in accordance with the schedule included as Exhibit A. Costs are transferable between line items in order to meet actual demand and emergency needs. Total annual compensation shall not exceed \$27,000, excluding any additional services as outlined below, utility overages or excessive client-occupant damages or large scale house component failure.

On request and as needed, YCH can deliver additional services when requested at an hourly rate. Hourly rates will be updated annually. Please refer to Appendix B for initial rate sheet. Current rates for specialized services are also listed below:

- a. Client Services Coordinator for integrated social services \$37.00 an hour fully burdened;
- b. Lease and Rental Coordinator to assist with finding units and/or making landlord relationships for graduates at \$36.50 an hour fully burdened.

### **B. Initial Start Up and One Time Fees**

Commencing on December 4, 2017 through completion of mutually agreed upon work required to bring Residence into conformance and available for lease, YCH shall receive funds in an amount not to exceed \$35,000 for property rehabilitation, maintenance and management and an amount

not to exceed \$8,000 for furnishings, less amounts incurred by County and Public Defender's Office in furtherance of furnishing the Residence as a home for use by the target population.

YCH shall keep a detailed record, along with receipts and timecards related to these initial start up costs. At completion, YCH shall provide County with an itemized billing for costs related to this Item III, Compensation, B.

Costs related to occupancy as outlined in III Compensation, A, shall not be incurred until the first client-occupant begins occupation in accordance with this Agreement. To the extent that there is any overlap of funds between article A and B, it shall be for trailing repair and furnishings, such as the fence replacement, necessary to complete the rehabilitation and furnishing of Residence.

#### **IV. INDEMNIFICATION**

A. YCH shall indemnify, defend and hold harmless the County of Yolo, its elected representatives, officers, agents, and employees from and against any and all claims, demands, losses, defense costs, expenses (including attorney fees) or liability of any kind or nature, for personal injury or property damage arising out of or, as a result of, litigation or administrative proceeding(s), alleged to arise out of any act, error or omission by YCH, its officers, agents or employees, in performing the services, responsibilities or duties required of YCH by this MOU; or any breach of any statutory, regulatory, contractual or legal duty of any kind related, directly or indirectly, to the services, responsibilities or duties required of YCH by this MOU.

B. County shall indemnify, defend and hold harmless YCH, its elected representatives, officers, agents, and employees from and against any and all claims, demands, losses, defense costs, expenses (including attorney fees) or liability of any kind or nature, for personal injury or property damage arising out of or, as a result of litigation or administrative proceeding(s), alleged to arise out of any act, error or omission by County, County, its officers, agents or employees, in performing the services, responsibilities or duties required of County, County by this MOU; or any breach of any statutory, regulatory, contractual or legal duty of any kind related, directly or indirectly, to the services, responsibilities or duties required of County, County by this MOU.

C. In providing any defense under this Section IV, the indemnifying party shall use counsel reasonably acceptable to the party being indemnified. The provisions of this Section IV shall survive the termination or expiration of this MOU.

#### **V. TERMINATION**

A. Either party may terminate this MOU for any reason upon sixty (60) days advance written notice; advance notice of sixty (60) days is necessary to allow sufficient time to relocate client-occupants living in the Residence at the time notice is given.

B. County may immediately terminate this MOU if:

1. Through any cause, YCH shall fail to fulfill in a timely and proper manner its obligations under this MOU;
2. YCH violates any provision of this MOU;
3. The funding for the services provided under this MOU is terminated; or
4. YCH is unable or unwilling to comply with such additional conditions as may be applied by funding under this MOU.

C. YCH may immediately terminate MOU if:

1. Through any cause, County shall fail to fulfill in a timely and proper manner its obligations under this MOU; or
2. County violates any provision of this MOU.

D. The termination of this MOU shall not relieve YCH of liability to County for any damages sustained by County by virtue of any breach of this MOU by YCH; and County may offset any such damages against any reimbursement or payments otherwise due YCH pursuant to this MOU. County may also take any corrective action as otherwise provided by State laws and regulations. The termination of this MOU shall not relieve County of liability to YCH for any damages sustained by YCH by virtue of any breach of this MOU by County; and County must provide payment to YCH for all services rendered on or before the date of termination of this MOU.

E. If for any reason, this MOU is terminated prior to its full performance; YCH shall be entitled to reimbursement out of the funds paid under this MOU for all of its costs, expenses or any legal liabilities. All unexpended portions of the funds paid to YCH by County under this MOU shall be returned to County.

F. Notwithstanding any other provision of this MOU, this MOU shall terminate on June 30, 2033 unless renewed in writing by the parties or unless a new memorandum of understanding is entered into by the parties.

G. If for any reason this MOU is terminated or expires, the Residence shall be disposed of as provided in this Section. Upon termination or expiration of this MOU, County shall have a right of first refusal to purchase the Residence from YCH at the price of one (\$1.00) dollar provided all outstanding costs and expenses of YCH with respect to the maintenance and management of the Residence is paid to YCH. County shall have sixty (60) days following the termination or expiration of this MOU to exercise this right of first refusal by providing a written notice to YCH. YCH shall have sixty (60) days following the exercise of the right of first refusal to effect the transfer of title to County. County shall bear all costs of escrow or other expenses incurred in the transfer of title from YCH to County. This provision may be enforced by obtaining a court judgment of specific performance.

H. If upon termination or expiration of this MOU, County fails to exercise its right of first refusal, YCH shall have the right to maintain title to the Residence, provided that YCH continues to designate the Residence as housing for low-income special needs persons. To exercise its option, YCH must record a restrictive covenant designating the Residence as housing for special needs persons within sixty (60) days after it receives notice that County will not exercise its right of first refusal or failure to exercise the right.

If upon termination or expiration of this MOU, County fails to exercise its right of first refusal, and YCH fails to maintain title by recording a restrictive covenant as indicated in subparagraph H above, the Residence shall be sold. Both County and YCH shall cooperate in effecting the sale of the Residence in a manner that obtains the highest reasonable price for the Residence. Upon sale of property under these circumstances, YCH shall be entitled to reimbursement from the proceeds of the sale for the costs of all services rendered pursuant to this MOU and any costs of sale incurred by YCH. All remaining proceeds from sale of the Residence shall be returned to County at close of escrow. County may, at its discretion and subject to any funding restrictions, elect to designate the funds for the acquisition, rehabilitation or construction of affordable housing by YCH for the designated population.

## **VI. INDEPENDENT CONTRACT STATUS**

It is specifically agreed that in the making and execution of this MOU, YCH and any agents and employees of YCH are independent contractors and are not and shall not be construed to be agents or employees of County and that YCH shall have no authority, expressed or implied, to act on behalf of County or to bind County to any obligation whatsoever. It is further specifically agreed that in the making and execution of this MOU, County and any agents and employees of County are independent contractors and are not and shall not be construed to be agents or employees of YCH and that County shall have no authority, expressed or implied, to act on behalf of YCH or to bind YCH to any obligation whatsoever.

## **VII. ASSIGNMENT; SUBCONTRACTING; SUBLEASING**

A. No performance of this MOU or any portion thereof, with the exception of regular maintenance and repairs required in the normal course of business, may be assigned or subcontracted by YCH without the express consent of County. Any attempt by YCH to assign or subcontract any performance of this MOU shall be null and void and shall constitute a breach of this MOU.

B. County may sublease the Residence to a subcontractor with the prior written consent of YCH. Any subtenant must agree to comply with all relevant provisions, especially Sections I and II, of this MOU.

## **VIII. INSURANCE**

A. During the term of this MOU, each Party, at its sole cost and expense, shall obtain and maintain throughout the entire term of this MOU, insurance coverage at the minimum limits of:

1. General Liability: One million dollars and no cents (\$1,000,000.00) per occurrence for bodily injury, personal injury and property damage; and

2. Automobile Liability: One million dollars and no cents (\$1,000,000.00) per accident for bodily injury and property damage; and

3. Workers' Compensation: Statutory limit.

B. County, its elected representatives, officers, agents, employees and volunteers shall be named as additional insured or as additional covered party for self-insurance, on all liability insurance or self-insurance maintained by YCH other than workers' compensation insurance. Any insurance maintained by County shall apply in excess of, and not contribute with, insurance provided by YCH's liability insurance policy. YCH, its elected representatives, officers, agents, employees and volunteers shall be named as additional insured or as additional covered party for self-insurance, on all liability insurance or self-insurance maintained by County other than workers' compensation insurance. Any insurance maintained by YCH shall apply in excess of, and not contribute with, insurance provided by County's liability insurance policy.

## **IX. COMPLIANCE WITH APPLICABLE LAWS**

Each party shall comply with all applicable laws, decisions, statutes, regulations, ordinances, policies and procedures of the United States, the State of California, and local governments.

**X. NOTICES**

A. All notices shall be deemed to have been given when made in writing and delivered or mailed to the respective representatives of County and YCH at their respective addresses as follow:

YCH:

Attn: Chief Executive Officer, Yolo County Housing  
147 W. Main Street  
Woodland, CA 95695  
Phone: (530) 662-5428  
Fax: (530) 662-5429

County:

Attn: Chief Administrative Officer, County of Yolo  
625 Court Street, #202  
Woodland, CA 95695  
Phone: (530) 666-8150  
Fax: (530) 668-4029

Any party may change the address or facsimile number to which such communications are to be given by providing the other party with written notice of such change at least fifteen (15) calendar days prior to the effective date of the change.

B. Notice of Possessory Interest. Under this MOU, a possessory interest subject to property taxation and special taxation may be created. Pursuant to California Revenue and Taxation Code §107.6, and Chapter 2.5 (commencing with §53311), Part 1, Division 2, Title 5 of the California Government Code, notice is hereby given that such property interest may be subject to property taxation and special taxation if created, and that the Party in whom the possessory interest is vested may be subject to the payment of property or special taxes levied on such interest.

**XI. SUCCESSORS**

This Agreement shall inure to the benefit and bind successors of each of the parties.

**XII. AUTHORIZED REPRESENTATIVE**

The persons executing this MOU on behalf of YCH and County affirmatively represent that s/he has the requisite legal authority to enter into this MOU on behalf of YCH or County and to bind YCH and County to the terms and conditions of this MOU. Both the persons executing this MOU on behalf of YCH and County understand that County and YCH are relying on this representation in entering into this MOU.

**XIII. SEVERABILITY**



If any of the provisions of this MOU is held invalid, the remainder shall not be affected thereby, if such remainder would then continue to conform to terms and requirements of applicable law.

**XIV. ALTERATION TO AGREEMENT**

No alteration or variation of the terms of this MOU shall be valid and/or binding unless made in writing and signed by the parties hereto.

**XV. EFFECTIVE DATE**

This MOU shall be effective as of the date written herein above.

**XVI. ENTIRE AGREEMENT**

This MOU constitutes the entire agreement between County and YCH and supersedes all prior negotiations, representations, or agreement, whether written or oral. In the event of a dispute between the parties as to the language of this MOU or the construction or meaning of any term hereof, this MOU shall be deemed to have been drafted by the parties in equal parts so that no presumptions or inferences concerning its terms or interpretation may be construed against any party to this MOU.

**SIGNATURES ON FOLLOWING PAGE**

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first set forth above. \_.

Yolo County Housing:

County of Yolo:

Lisa A. Baker, Chief Executive Officer

Patrick Blacklock, Chief Administrative Officer

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to Form:

Approved as to Form:

By: \_\_\_\_\_  
Hope Welton, Agency Counsel

By: \_\_\_\_\_  
Phil Pogledich, County Counsel

DRAFT

DRAFT

Attest:  
Ana Morales, Clerk  
Yolo County Board of Supervisors

By *[Signature]*  
Deputy  
(Seal)

