



# REPORT TO THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO AND THE CITY COUNCIL

**DATE ISSUED:** November 6, 2020

**REPORT NO:** HAR20-046

**ATTENTION:** Council President and Members of the City Council  
Chair and Members of the Housing Authority of the City of San Diego  
For the Agenda of December 8, 2020

**SUBJECT:** Authorization to Execute an Amended Memorandum of Understanding between the San Diego Housing Commission (Housing Commission) and the City of San Diego (City) to Continue the Oversight and Administration of the City's COVID-19 Emergency Rental Assistance Program; Authorization for the Housing Commission to Expend Additional Federal CARES Act Community Development Block Grant Funds and CARES Act Housing Choice Voucher Administration funds to Support the Continuing Operations of the Program; and Authorization for the Housing Commission to Enter into Contract Extensions to Support Continuing Operations of the Program

**COUNCIL DISTRICT:** Citywide

## **REQUESTED ACTION**

Authorize the execution of an amended Memorandum of Understanding between the San Diego Housing Commission (Housing Commission) and the City of San Diego (City) for the Housing Commission to continue to oversee and administer the City's COVID-19 Emergency Rental Assistance Program; authorize the Housing Commission to expend additional federal CARES Act Community Development Block Grant (CDBG) funds and CARES Act Housing Choice Voucher Administration funds to support the continuing operations of the program; and authorize the Housing Commission to execute contract extensions with third-party vendors to support the continuing operations of the program.

## **STAFF RECOMMENDATION**

That the Housing Authority of the City of San Diego (Housing Authority) and San Diego City Council (City Council) take the following actions:

### **Housing Authority:**

- 1) Authorize the San Diego Housing Commission (Housing Commission) to execute an amendment to the Memorandum of Understanding (MOU) between the Housing Commission and the City of San Diego for the oversight and administration of the City of San Diego's COVID-19 Emergency Rental Assistance Program to allow the Housing Commission to continue to oversee and administer the program with an additional \$5,000,000 allocated by the City of San Diego from federal Coronavirus Aid, Relief, and Economic Security (CARES) Act Community Development Block Grant (CDBG) funds to carry out a second phase of the program, and to

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allow the Housing Commission to use any unexpended funds from the first phase of the program toward administrative and/or rental assistance payment expenses in the new second phase of the program. If administrative expenses exceed the available program funds, the Housing Commission will utilize federal CARES Act Housing Choice Voucher Administration funds awarded directly to the Housing Commission to pay these expenses, up to the maximum budgetary authority previously delegated to the Housing Commission;

- 2) Authorize the Housing Commission to amend its Fiscal Year 2021 budget in the amount of \$5,500,000 (\$5,000,000 from federal CARES Act CDBG funds from the City of San Diego and \$500,000 from federal CARES Act Housing Choice Voucher Administration funds awarded directly to the Housing Commission) to provide continuing oversight and administration of the City of San Diego's COVID-19 Emergency Rental Assistance Program; and accept the transfer of \$5,000,000 of federal CARES Act CDBG funds from the City of San Diego (the \$5,500,000 budget amendment includes the expenses for extensions of agreements described in Staff Recommendations Nos. 4 and 5);
- 3) Authorize the Housing Commission's President & Chief Executive Officer (President & CEO), or designee, to expend the additional federal CARES Act CDBG funds from the City of San Diego to provide one-time rental assistance of up to \$4,000 per qualifying household to households that qualified in the first phase of the City's COVID-19 Emergency Rental Assistance Program, if the first phase of the program is oversubscribed; however, if any funds allocated to the first phase of the program remain unused, authorize the Housing Commission's President & CEO, or designee, to expend those funds in subsequent phases of the program to provide one-time rental assistance of up to \$4,000 to qualifying households;
- 4) Authorize the Housing Commission's President & CEO, or designee, to modify the program, if necessary, without further action by the Housing Commission's Board of Commissioners (Board) or the Housing Authority, but only if and to the extent that such changes comply with the terms of the executed MOU, as amended; are necessary to fulfill funding requirements; and comply with U.S. Department of Housing and Urban Development requirements;
- 5) Authorize the Housing Commission's President & CEO, or designee, to execute an extension of the agreement, in a form and format approved by General Counsel, with BASC LLC in an amount not to exceed \$175,000 for the continuing operations and technical support for the web-based application portal for the City's COVID-19 Emergency Rental Assistance Program;
- 6) Authorize the Housing Commission's President & CEO, or designee, to execute an amendment to the agreement, in a form and format approved by General Counsel, with RemX in an amount not to exceed an additional \$250,000 to provide temporary staff for the continuing operations of the City's COVID-19 Emergency Rental Assistance Program and additional Housing Commission temporary staff needs; and
- 7) Authorize the Housing Commission's President & CEO, or designee, to substitute approved funding sources with any other available funds as deemed appropriate, contingent upon budget availability, and further authorize the President & CEO, or designee, to take such actions as are necessary, convenient and/or appropriate to implement this approval and delegation of authority by the Housing Commission upon advice of the General Counsel.

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- 8) Authorize the Housing Commission's President & CEO, or designee, to execute all necessary documents and instruments that are necessary and/or appropriate to implement these approvals, in a form and format approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals.

**City Council:**

Authorize the City of San Diego to execute an amendment to the Memorandum of Understanding (MOU) between the Housing Commission and the City of San Diego for the oversight and administration of the City of San Diego's COVID-19 Emergency Rental Assistance Program to allow the Housing Commission to continue to oversee and administer the program with an additional \$5,000,000 allocated by the City of San Diego from federal Coronavirus Aid, Relief, and Economic Security (CARES) Act Community Development Block Grant (CDBG) funds to carry out a second phase of the program, and to allow the Housing Commission to use any unexpended funds from the first phase of the program toward administrative and/or rental assistance payment expenses in the new second phase of the program.

**SUMMARY**

On October 13, 2020, the San Diego City Council unanimously approved the allocation of \$5,000,000 in CARES Act CDBG funds to support the City's COVID-19 Emergency Rental Assistance Program (Resolution No. R-313256).

The Housing Commission administers the City's COVID-19 Emergency Rental Assistance Program, which helps families with low income in the City of San Diego who experience financial hardship due to the COVID-19 pandemic. The program provides one-time payments of up to \$4,000 per qualifying household to help pay past-due and/or upcoming rent to assist with preventing housing displacement. Households residing in rental housing where restrictions recorded on the property require rents to remain affordable for specified income levels are eligible to receive up to \$2,000.

On June 30, 2020, the San Diego City Council authorized the expenditure of up to \$15,100,000 in federal CARES Act funds, which HUD awarded to the City, to create the COVID-19 Emergency Rental Assistance Program, with the funds to be provided to the Housing Commission pursuant to the terms of a Memorandum of Understanding (MOU) between the City and the Housing Commission for the Housing Commission to provide oversight and administration for the program.

More than 8,300 City of San Diego households submitted applications for help from this program during the application period of July 20, 2020, through August 7, 2020. A preliminary review of these applications identified approximately 5,300 that met the program's eligibility criteria:

- The household has a City of San Diego residence address.
- Household income in January 2020, was at or below 60 percent of the San Diego Area Median Income (AMI).
- The household is NOT currently receiving any rental subsidies.
- The household is NOT currently a tenant of a property owned or managed by the Housing Commission.
- The household does NOT have savings to meet their financial need.

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- The household has eligible immigration status (U.S. citizen/U.S. National, lawful permanent resident/conditional permanent resident, registry immigrant, a refugee/person seeking asylum or granted asylum).
- The household experienced hardship directly related to COVID-19.

As of November 5, 2020, the Housing Commission has completed reviews of 5,382 applications, with 3,539 applications approved to receive rental assistance through the program and 1,843 applications deemed ineligible for assistance for reasons such as their income exceeded 60 percent of AMI in January 2020 or their financial hardship was not related to COVID-19.

The Housing Commission has disbursed payments for 3,272 households, totaling \$12,100,000 million, as of November 5, 2020. The Housing Commission coordinates with selected applicants and their landlord or property management company to disburse payments. All payments are made directly to the landlord by direct deposit on behalf of their tenant. Payments are expected to continue through November 2020. The Housing Commission anticipates fully expending the \$15,100,000 allocated on June 30, 2020, for this program by November 30, 2020.

With the \$5,000,000 approved on October 13, 2020, for this program, the Housing Commission anticipates reopening the web-based application portal to receive new applications, utilizing the same eligibility criteria. These funds potentially could assist approximately 1,250 families if each household received the maximum \$4,000 one-time rental assistance. If an insufficient number of applicants qualify for one-time rental assistance through this program and sufficient funds remain, the Housing Commission will supplement all rent relief recipients with a minimum of \$500 in supplemental rent relief payments and/or return any unused funds to the City of San Diego.

### **AFFORDABLE HOUSING IMPACT**

With the authorization to expend \$5,000,000 in federal CARES Act funds, City of San Diego's COVID-19 Emergency Rental Assistance Program could potentially provide one-time rental assistance to approximately 1,250 households with low income in the City of San Diego experiencing financial hardship due to COVID-19.

### **FISCAL CONSIDERATIONS**

The funding proposed by this action was not included in the Housing Commission's Housing Authority-approved Fiscal Year 2021 Budget. Approving this action will authorize the Housing Commission to expend up to \$5,000,000 of federal CARES Act CDBG funds from the City of San Diego to provide continuing oversight and administration of the City of San Diego's COVID-19 Emergency Rental Assistance Program and up to \$500,000 of federal CARES Act Housing Choice Voucher (HCV) Administration funds, awarded directly to the Housing Commission, to administer the program;

#### **Funding Sources**

CARES Act Community Development Block Grant - \$5,000,000  
CARES Act HCV Administration Funds - \$500,000

#### **Funding Uses**

One-Time Rental Assistance Payments for Qualifying Households - \$5,000,000  
Administration costs (Information Technology, Temporary staff, and other costs) \$500,000

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**PREVIOUS COUNCIL AND/OR COMMITTEE ACTION**

On October 13, 2020, the San Diego City Council unanimously approved the allocation of \$5,000,000 in CARES Act CDBG funds to support the City of San Diego's (City) COVID-19 Emergency Rental Assistance Program (Resolution No. R-313256).

On June 30, 2020, the San Diego City Council authorized the expenditure of up to \$15,100,000 in federal CARES Act funds, which HUD awarded to the City, to create the COVID-19 Emergency Rental Assistance Program (Resolution No. R-313133), and the City Council (Resolution No. R-313133) and Housing Authority (Resolution No. HA-1867) authorized the execution of a Memorandum of Understanding between the City and the Housing Commission for the Housing Commission to provide oversight and administration for the program.

On June 8, 2020, the City Council designated \$15.1 million in federal CARES Act funding in the City's Fiscal Year 2021 budget to support the COVID-19 Emergency Rental Assistance Program (Resolution No. R-313071) and requested that the Housing Commission and City staff work with the offices of Mayor Kevin L. Faulconer and City Councilmember Chris Ward to create the program.

**KEY STAKEHOLDERS and PROJECTED IMPACTS**

Stakeholders for this project include households with low income in the City of San Diego experiencing financial hardship due to the COVID-19 pandemic, landlords and property owners for these households, and the Housing Commission. This action is expected to have a positive impact on the community by helping qualifying households pay past-due or upcoming rent to assist with preventing housing displacement.

**ENVIRONMENTAL REVIEW**

This activity is not a project as defined by the California Environmental Quality Act (CEQA) Section 21065 and CEQA Guidelines Section 15378(b)(5), as it is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment. The determination that this activity is not subject to CEQA, pursuant to Section 15060(c)(3), is not appealable and a Notice of Right to Appeal the Environmental determination (NORA) is not required. The parties agree that the provision of any federal funds as the result of this action is conditioned on the City of San Diego's final NEPA review and approval.

Respectfully submitted,

*Azucena Valladolid*

Azucena Valladolid  
Senior Vice President  
Rental Assistance & Workforce Development  
Rental Assistance Division

Approved by,

*Jeff Davis*

Jeff Davis  
Deputy Chief Executive Officer  
San Diego Housing Commission

Docket materials are available in the "Governance & Legislative Affairs" section of the San Diego Housing Commission website at [www.sdhc.org](http://www.sdhc.org).

HOUSING AUTHORITY OF  
THE CITY OF SAN DIEGO

RESOLUTION NUMBER HA-\_\_\_\_\_

DATE OF FINAL PASSAGE \_\_\_\_\_

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO AUTHORIZING AN AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SAN DIEGO AND THE SAN DIEGO HOUSING COMMISSION TO CONTINUE OVERSIGHT AND ADMINISTRATION OF THE CITY OF SAN DIEGO'S EMERGENCY COVID-19 RENTAL ASSISTANCE PROGRAM (PROGRAM), EXPEND AN AMOUNT NOT TO EXCEED \$5,000,000 IN CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS AND CARES ACT HOUSING CHOICE VOUCHER ADMINISTRATION FUNDING TO SUPPORT THE PROGRAM, AUTHORIZING THE SAN DIEGO HOUSING COMMISSION TO ENTER INTO AMENDMENTS TO AGREEMENTS WITH OPERATORS TO OVERSEE, ADMINISTER, AND MANAGE THE PROGRAM, AND RELATED ACTIONS.

WHEREAS, the City of San Diego (City) and the San Diego Housing Commission (Housing Commission) entered into a Memorandum of Understanding (MOU) for the oversight and administration of the Emergency COVID-19 Rental Assistance Program (Program); and

WHEREAS, on June 8, 2020, as part of the approval of the City's fiscal year 2021 annual budget (Fiscal Year 2021 Budget), the Council of the City of San Diego (City Council) approved the allocation of \$15.1 million dollars in Coronavirus Aid, Relief, and Economic Security (CARES) Act funding for this Program; and

WHEREAS, as of November 5, 2020, the Housing Commission has disbursed \$12.1 million for 3,272 households and anticipate fully expending \$15.1 million by November 30, 2020; and

WHEREAS, on October 13, 2020, pursuant to City Council Resolution R-313256, the City Council approved the allocation of an additional \$5 million in CARES Act Community Development Block Grant (CDBG) funds, and \$500,000 in CARES Act Housing Choice Voucher Administration funds awarded directly to the Housing Commission to provide one-time rental assistance for approximately 1,250 low-income households; and

WHEREAS, the City and the Housing Commission desire to enter into an amendment to the MOU (MOU Amendment) for the Housing Commission to continue to provide oversight and administration of the Program, a copy of which is included in the backup materials accompanying this Resolution; and

WHEREAS, Housing Commission staff propose entering into the following amendments: (1) an amendment to extend the term of the agreement with BASC, LLC in an amount not to exceed \$175,000 for continuing operations and technical support for the web-based application portal for the Program (BASC Amendment); and (2) an amendment to the agreement with RemX in an amount not to exceed \$250,000 to provide temporary staff for the continuing operations of the Program (RemX Agreement); NOW, THEREFORE,

BE IT RESOLVED, by the Housing Authority of the City of San Diego, as follows:

1. The Housing Commission President & Chief Executive Officer (President & CEO), or designee, is authorized and directed to sign the MOU Amendment.
2. The Housing Commission is authorized to amend the Housing Commission Fiscal Year 2021 Budget for an amount not to exceed \$5.5 million dollars in CARES Act funds, as allocated by the City for this Program.
3. The President & CEO, or designee, is authorized to modify the Program, if necessary, without further action by the Board of Commission of the Housing Commission (Housing Commission Board) or the Housing Authority of the City of San Diego (Housing

Authority), but only if and to the extent that such changes comply with the terms of the MOU, are necessary to fulfill funding requirements, and comply with the U.S. Department of Housing and Urban Development requirements.

4. The President & CEO, or designee, is authorized and directed to sign the BASC Amendment.

5. The President & CEO, or designee, is authorized and directed to sign the RemX Amendment.

6. The President & CEO, or designee, is authorized to substitute approved funding sources with any other available funds as deemed appropriate, contingent upon budget availability, without further action by the Housing Commission Board or the Housing Authority, but only if and to the extent funds are determined to be available for such purposes and upon the advice of Housing Commission General Counsel.

7. The President & CEO, or designee, is authorized to execute any documents and instruments that are necessary and appropriate to implement this Resolution, in a form approved by Housing Commission General Counsel and to take such actions necessary and appropriate to implement these approvals without further action of the Housing Commission Board or the Housing Authority.

APPROVED: MARA W. ELLIOTT, General Counsel

By \_\_\_\_\_  
Katherine A. Malcolm  
Deputy General Counsel

KAM:soc  
11/12/2020  
Or.Dept: SDHC  
Doc. No.: 2524903



SAN DIEGO  
HOUSING  
COMMISSION

## City of San Diego COVID-19 Emergency Rental Assistance Program Phase 2 Implementation Plan

### *Program Background and Purpose*

In response to COVID-19, the San Diego City Council allocated \$15.1 million for the City of San Diego COVID-19 Emergency Rental Assistance Program (ERAP) to help qualifying individuals and families who have suffered a substantial decrease in income due to the COVID-19 pandemic. The San Diego Housing Commission (SDHC) administers the program.

More than 8,300 City of San Diego households submitted applications for help from this program during the application period of July 20, 2020 through August 7, 2020, demonstrating a significant need for temporary rental assistance among residents.

On October 27, 2020 the City Council approved an additional \$5 million in CARES Act funds for a second phase of the COVID-19 Emergency Rental Assistance Program.

### *Program Administration*

SDHC will continue to administer the City of San Diego's COVID-19 Emergency Rental Assistance Program. SDHC has the expertise and capacity to implement this one-time rental assistance program expeditiously and with accountability. The proposed program design will utilize the successes and lessons learned of the first round of applications to improve the administrative workflow and the experience of applicants.

To mitigate health risks related to COVID-19, the application will only be available online. SDHC will continue to work with community-based organizations to help renters without internet access or those that require assistance can complete the application. Families with children and elderly households who meet all eligibility criteria will be prioritized. Applications that are submitted on time, completely, and meet the eligibility criteria will be selected via a prioritization and random ranking process. SDHC staff will review the identified applications and coordinate with the applicants and their landlords to disburse rental assistance payments.

### *Program Administration Costs*

SDHC will utilize CARES Act funding, that is not eligible for rent payments but can be used for administrative costs, to pay for the costs associated with administering the ERAP phase 2 including staffing, contract extensions with supporting organizations to provide support to applicants and updates to the application portal as necessary.

**Funding Requirements**

The following elements will be implemented to ensure that funding requirements are met.

<b>Requirement</b>	<b>Activity to satisfy requirement</b>
<p><b>Lead Safe Housing Rule:</b> CDBG-CV Emergency Rental Assistance, for over 100-day, is covered by the Lead Safe Housing Rule (LSHR) requirements and in the case of rental assistance will need to follow the requirements of Subpart K, whether occupied by a child less than six years or not. Subpart K requires that almost all dwelling units built prior to January 1, 1978 that receive Federal assistance undergo a visual assessment for deteriorated paint (inside, outside and all common areas) by a trained grantee or sub recipient.</p>	<p>The rental assistance payment will be prorated up to a maximum of 3 months of the household’s rent, and will not trigger the LSHR requirement.</p>
<p><b>Emergency Rental Assistance Payment:</b> Rental assistance does not exceed 3 months of rent, including arrears, per existing MOU.</p>	<p>Rental assistance will remain as a maximum of three months’ rent, including arrears. Applicants will be required to submit the household’s monthly rent. This information will be verified through the applicant’s lease documents. Applicants will be eligible to receive a maximum of up to \$4,000 if residing in a market rate unit or up to \$2,000 if residing in an affordable housing unit, or no more than the total of three months’ rent, including any rent arrears, whichever is less, if they meet eligibility criteria.</p>
<p><b>CDBG Demographic Data:</b> The following demographic data is required to be reported for all clients who receive assistance:</p> <ul style="list-style-type: none"> <li>- Female head of household</li> <li>- Ethnicity</li> <li>- Race</li> </ul>	<p>Demographic questions will be included in the application for the head of household, which will then be used to report on demographics for all unduplicated clients</p>

<p><b>Eligible Immigration Status:</b> Applicants must have an eligible immigration status</p>	<p>Applicants must submit a self-certification that they have an eligible immigration status.</p>
<p><b>Eligible household income:</b> Applicant’s household income must fall below 80% of Area Median Income (HUD CDBG requirement)</p>	<p>Applicants are asked to submit documentation to verify that their household income falls below 60% AMI (City Council approved eligibility requirement at or below 60% AMI)</p>
<p><b>Conflict of Interest:</b> The HUD regulations prohibit payment of CDBG funds to persons with a conflict of interest.</p>	<p>The following language will be included in the self-certification statement that landlord’s submit to indicate there are no conflicts of interest:</p> <p>“An SDHC Commissioner, City of San Diego Official, or any employee of SDHC or the City, or an agent of either who influences policy decisions (or immediate family member of such a person) has a prohibited conflict of interest and may not participate in this program. I hereby certify that I do not have any prohibited conflict of interest.”</p>
<p><b>Appeal and Grievance Process:</b> A written appeal and grievance process must be implemented and available.</p>	<p>The notification of benefit amount or a denial of assistance will include specific instructions for the appeal process including submittal deadlines.</p>
<p><b>Recognition of Funding Source:</b> Publications/printed materials will include CDBG funding recognition language.</p>	<p>The following statement will be included in outreach material and approval notices to tenants and landlords:</p> <p>“This project is funded in whole or in part with Community Development Block Grant (CDBG) Program funds provided by the U.S. Department of Housing and Urban Development (HUD) to the City of San Diego.”</p>

### ***Workflow***

An online application portal will be created. This portal will be open for a limited period of time to accept applications. Applications will only be accepted through SDHC's COVID-19 Emergency Rental Assistance Program Application Portal. The application will ask questions to determine eligibility and will require applicants to upload documents and self-certifications to verify their eligibility. Only one application per household will be permitted.

SDHC will continue to contract with community-based organizations (CBO) to provide assistance to applicants who do not have internet access or those that require assistance. CBOs will help ensure all tenants have equal access to the online application. CBO staff will help tenants submit applications, answer questions, and provide access to residents who do not have internet access or the ability to upload documents.

Applications that meet the eligibility criteria will be entered into a prioritization and random ranking process, serving families with children and elderly households first. All other eligible applications will be held in a waiting list and assisted in ranked order in the event additional funding is available to provide emergency rental assistance.

SDHC staff will review the applications to confirm they were not provided with rental assistance under ERAP Phase 1 and meet all eligibility criteria. When eligibility is confirmed, SDHC will coordinate with the applicant and their landlord or property management company to facilitate the rental assistance payment.

If SDHC receives less eligible applicants than available funding, the remaining funding will be returned to the City. Any unused funds from the first iteration of ERAP will carry over to the second iteration of ERAP. If the first iteration of ERAP is oversubscribed, funding from ERAP phase 2 will be used to pay rental assistance for eligible applicants.

### ***Eligibility and Documentation Requirements***

Renter households will be eligible to receive a maximum of up to \$4,000, or no more than the total of three months' rent, including any rent arrears, whichever is less in assistance through the program if they meet the following criteria listed below. The table below lists the eligibility criteria and the types of verification documents that will be accepted to meet the requirements. A detailed description of each eligibility criteria for each category is provided following the table.

Eligibility Criteria	Documentation Accepted
Tenant with a City of San Diego address	<ul style="list-style-type: none"> <li>• Current tenant lease</li> <li>• Household bill</li> <li>• Legal form of ID with address</li> </ul>
Household income is at or below 60% AMI on January 1, 2020	<ul style="list-style-type: none"> <li>• Paystubs</li> <li>• 2019 Tax Return</li> <li>• Award Letters</li> <li>• Other</li> </ul>
Not currently receiving any rental subsidies,	<ul style="list-style-type: none"> <li>• Self-Certification</li> </ul>
Not currently a tenant at a SDHC	<ul style="list-style-type: none"> <li>• Self-Certification</li> </ul>
Household does not have savings to meet their need	<ul style="list-style-type: none"> <li>• Self-Certification</li> </ul>
Eligible immigration status	<ul style="list-style-type: none"> <li>• Self-Certification</li> </ul>
Experienced hardship directly related to COVID-19	<ul style="list-style-type: none"> <li>• Unemployment letter</li> <li>• Employer termination letter</li> <li>• Medical bill</li> <li>• Other</li> </ul>

*Tenant with a City of San Diego Address*

Applicants must live in the City of San Diego and currently rent their primary residence.

*Household income was at or below 60 percent of AMI on January 1, 2020*

The applicant's household income must have been at or below 60 percent of AMI in January, 2020. This date will ensure that household income before any changes due to COVID-19 is considered.

*Not currently receiving any rental subsidies*

Applicants who currently receive rental subsidies or reside in SDHC or HDP-owned affordable rental housing units or have received emergency rental assistance from ERAP phase 1 would not be eligible to receive COVID-19 Emergency Rental Assistance through this program. Rental subsidies include federal Section 8 Housing Choice Voucher assistance, rapid rehousing assistance, emergency rent relief assistance through a previous federally funded program, rental assistance from nonprofit agencies or rental assistance from other federal programs, insurance, or sources.

- **Existing rental subsidy participants:** Households currently receiving Section 8 Housing Choice Voucher rental subsidies who have lost income due to COVID-19 already are eligible to receive rent relief under a separate hardship policy due to decrease in income. This hardship policy applies to any reported decrease in income that families submit beginning March 1, 2020 through December 31, 2020, for any income loss due to COVID-19. The hardship policy reduces the participant's rent payment to 20 percent of their monthly adjusted income until their next recertification. Economic stimulus payments, including the \$600 unemployment supplemental CARES Act payment, are excluded as an income source to further provide rental relief.
- **SDHC-owned affordable housing residents:** Participants who reside in properties owned or managed by SDHC, including its nonprofit affiliate, Housing Development Partners (HDP), are eligible to receive assistance through SDHC's Hardship Program, which provides temporary rent relief to households whose income has decreased as a direct result of COVID-19. This may include forgiving all or part of the rent during the term of the hardship for a period through March 2021 and waiving late fees.

However, applicants who reside in all other affordable housing units would be eligible for the COVID-19 Emergency Rental Assistance Program. Applicants who reside in affordable housing units and are selected to receive rental assistance will receive a maximum of up to \$2,000, or no more than the total of three months' rent, including any rent arrears, whichever is less in assistance through the program if they meet the criteria because their rent amount is already reduced.

Applicants will be required to submit a self-certification that states whether or not they are receiving rental subsidies or residing in an affordable housing unit.

*Household does not have savings to meet their need*

Applicants who have enough savings to meet their need would not be eligible to receive rental assistance through this program. This is to ensure that assistance is available to households who need it most. Applicants will be required to submit a self-certification that states their combined checking and savings balance is insufficient to cover their housing needs.

### Eligible immigration status

Pursuant to federal funding regulations, only residents with an eligible immigration status may be eligible for the COVID-19 Emergency Rental Assistance Program. Eligible immigration statuses are:

- U.S. Citizen/U.S. National
- Lawful permanent resident/Conditional Permanent Resident
- Refugee/Person seeking Asylum or Granted Asylum

The application system will track applications that are denied rental assistance due to immigration status so that if a funding source is identified and allocated that does not have this restriction, these households will also have an opportunity to receive rental assistance.

### Household experienced a financial hardship directly related to COVID-19

The intent of the program is to provide diversion services to tenants with low-income who are experiencing a financial hardship due to COVID-19. Additionally, some of the CARES Act funding requires that expenditures must be incurred due to the public health emergency with respect to COVID-19. As such, applicants must verify that they experienced a financial hardship directly related to the COVID-19 pandemic that made them unable to pay rent.

The types of situations that will be determined eligible include but are not limited to:

- Loss of income due to reduction of paid work hours due to COVID-19 (i.e., laid off, loss of hours, income reduction, etc.)
- Loss of income due to sickness with COVID-19 or caring for a household/family member who is/was sick with COVID-19
- Loss of income due to compliance with a recommendation from a government health authority to stay home, self-quarantine or avoid congregating with others during the state of emergency
- Loss of income due to other factors resulting from COVID-19
- Increase in medical expenses incurred as a direct result of COVID-19

### ***Prioritization and Randomized Ranking***

With the approved budget of \$5,000,000, the ERAP phase 2 will provide rental assistance to approximately 1,250 households if each household receives the maximum amount of \$4,000. This means only a fraction of San Diego tenants will be eligible to receive this assistance. To disburse funds fairly and help households who are most in need, SDHC recommends a

prioritization and random ranking process to select the applicants who will receive a rental assistance payment.

Applications that are submitted on time, completely and meet the initial eligibility criteria will be entered into the prioritization and random ranking process. The prioritization and random ranking is an automated process by the online system that will randomly select applicants that meet the eligibility criteria. The online system will assign a rank number to each application that is deemed eligible based on a pre-determined set of prioritization criteria. SDHC staff will then manually review applications according to their ranking, and those that are confirmed to be eligible will receive one-time rental assistance.

Applications will be prioritized in the following order:

1. Families with minor children
2. Households where at least 1 member is 62 years or older

#### ***Payment Disbursement***

SDHC staff will coordinate with selected applicants and their landlord or property management company to disburse payment. All payments will be disbursed electronically to ensure tenants receive assistance in a timely manner and to reduce the administrative burden.

SDHC will establish the landlord or property management company as a vendor, and receive documentation, including a W-9 to enable them to receive a direct deposit payment.

#### ***Grievance Policy***

An applicant who has been determined ineligible to receive program assistance will also receive information on the program's appeal and grievance policy. The applicant may submit a request for a second review of their application or a grievance following the instructions in the notice. All requests for a second review will be completed after initial review of all eligible applicants is complete.

#### ***Collaboration with CBOs***

To administer this program expeditiously while still maintaining the level of service anticipated, SDHC may continue to contract with community-based organizations (CBO) for the following services:

### Application Assistance

Due to the high level of interest in this program and the large number of applications anticipated, SDHC recommends continuing to contract with CBOs to provide application assistance services. The CBO would be required to have the capacity and experience to provide this service. Interested tenants who need assistance completing the application or have questions about the application would contact the CBO and receive the assistance they need. Tenants who do not have internet access would contact the CBO, which can submit an application on their behalf.

### Tenant/Landlord Alternative Dispute Resolution Assistance

SDHC may continue to contract for services to assist tenants and landlords with disputes related to the emergency rental assistance payment if the demand for this service in the first iteration of ERAP demonstrates the need.

### Call Center Services

Due to the high level of interest in this program, and successes and lessons learned from the first round of assistance, SDHC will continue to contract with 211 for call center services. Live telephone agents will be able to assist applicants and landlords by answering general questions about the program as well as specific questions regarding the status of their application and applicable next steps.

## **TIMELINE**

Upon City and/or HUD approval (if required) of this proposed program implementation plan, SDHC will finalize the program design of ERAP phase 2 and submit a timeline to include community outreach, application period, application review and payment disbursement. With SDHC Board and Housing Authority approval and an executed MOU amendment, SDHC can proceed to implement ERAP phase 2.

Swift action by the City and HUD on the final program implementation plan is imperative to ensure the COVID-19 Emergency Rental Assistance Program application and disbursement process is implemented in a timely manner.

**FIRST AMENDMENT TO  
MEMORANDUM OF UNDERSTANDING BETWEEN  
THE CITY OF SAN DIEGO  
AND  
THE SAN DIEGO HOUSING COMMISSION  
FOR THE ADMINISTRATION OF THE COVID-19 EMERGENCY RENTAL  
ASSISTANCE PROGRAM**

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This First Amendment to the Memorandum of Understanding between the City of San Diego and the San Diego Housing Commission for the Administration of the COVID-19 Emergency Rental Assistance Program (“First Amendment”) is dated as of \_\_\_\_\_ (the “Effective Date”) by and between the SAN DIEGO HOUSING COMMISSION, a public agency (“Commission”) and the CITY OF SAN DIEGO, a municipal corporation (“City”), hereinafter referred to as the “Parties” and each, as a “Party.”

**RECITALS**

WHEREAS, the City enacted a temporary Residential and Commercial Eviction Moratorium to protect renters facing financial hardship related to the COVID-19 pandemic from being evicted. The moratorium is in effect through June 30, 2020; however, renters who have not been able to pay their rent will be expected to reconcile their rent arrears once the moratorium is lifted.

WHEREAS, the City received federal funding through the CARES Act for relief efforts related to the COVID-19 pandemic. Funds must be expended on efforts directly related to expenses incurred and expected due to COVID-19 in accordance with the CARES Act Grant Agreement.

WHEREAS, the City received additional Community Development Block Grant funding through the CARES Act (CDBG-CV) for relief efforts related to the COVID-19 pandemic. Funds must be expended on efforts directly related to prevent, prepare for or respond to COVID-19 in accordance with the CDBG-CV grant agreement.

WHEREAS, the COVID-19 Emergency Rental Assistance Program (the “RAP Program”) will provide one-time relief to renters which will help mitigate the economic impacts of COVID-19 and provide needed diversion services to keep renters housed.

WHEREAS, effective May 21, 2020, Council adopted Resolution No. R-313042, approving the City’s FY21 Action Plan and a first amendment to the City’s FY20 Action Plan to include additional HUD allocations from the CARES Act.

WHEREAS, on June 8, 2020, the Council adopted Resolution No. R-313071 approving the Mayor’s Proposed Budget, as modified by the May Revision, including a recommendation to

approve \$15.1 million for the purpose of creating the COVID-19 Emergency Rental Assistance Program, consisting of 9.7 million in CARES Act funding, \$1.8 million in Fiscal Year 2021 CDBG funds and \$3.6 million in CDBG-CV funds; and

WHEREAS, on June 30, 2020 the Housing Authority for the City of San Diego approved Resolution HA-1867 which authorized the Commission to enter into the Memorandum of Understanding between the City of San Diego and the San Diego Housing Commission for the Administration of the COVID-19 Emergency Rental Assistance Program (“RAP MOU”) for the administration of the RAP Program;

WHEREAS, on October 13, 2020, the San Diego City Council unanimously approved the allocation of an additional \$5,000,000 in CARES Act CDBG funds to expand the RAP Program (Resolution No. R-313256); and

WHEREAS, the Parties now desire to amend the RAP MOU to extend the term of the RAP MOU, provide for allocation of the additional funding, and expand the RAP Program to include Phase II.

NOW, THEREFORE, the City and Commission agree as follows:

- I. Incorporation of Recitals. The Recitals set forth above are incorporated in this First Amendment by this reference.
  
- I. Section B Commission Responsibilities. Section B of the RAP MOU is hereby amended to include Section B(3) as follows:
  3. Any remaining program funds from the first iteration of the RAP Program (“Phase I”) \$15,100,000 will be carried over into Phase II of the RAP Program along with the additional \$5,000,000 being allocated by the City for rental assistance payments. If Phase I of the RAP Program is oversubscribed, the allocation of \$5,000,000 for Phase II can also be used to pay rental assistance for eligible applicants under Phase I. Any funds from Phase I of the RAP Program which may exist upon the conclusion of Phase I will be added to Phase II. Any funds, which may exist upon the conclusion of Phase II of the RAP Program, will be returned to the City.
  
- II. Section C (1) City Responsibilities. Section C(1) of the RAP MOU is hereby amended and the following is substituted in its place and stead:
  1. The City shall provide the following funding for the administration of the RAP Program as set forth herein:

<b>COVID-19 Rent Relief Fund – PHASE I</b>	
<b>CARES Act Revenue Sources</b>	<b>Amount</b>
CARES Act CDBG-CV	\$3,600,000
FY 2021 CDBG Entitlement (Public Services)	\$1,800,000
CARES Act Fund Allocations from Operation Shelter to Home	\$9,700,000
<b>Total CARES Act Revenues</b>	<b>\$15,100,000</b>

<b>COVID-19 Rent Relief Fund – PHASE II</b>	
<b>CARES Act Revenue Sources</b>	<b>Amount</b>
CARES Act CDBG-CV	\$5,000,000
<b>Total CARES Act Revenues</b>	<b>\$5,000,000</b>

All other portions of Section C shall remain unchanged and in full force and effect.

- III. Section D (1) Term of RAP MOU. Section D (1) of the RAP MOU shall be amended to extend the term of the RAP MOU through June 30, 2021.
- IV. Attachment A. Attachment A as attached to the RAP MOU is hereby amended and restated in its entirety in Exhibit 1 to this First Amendment.
- V. Attachment C. Attachment C as attached to the RAP MOU is hereby amended and restated in its entirety in Exhibit 2 to this First Amendment.
- VI. Confirmation of RAP MOU. The RAP MOU, as amended by this First Amendment, is in all respects confirmed and all of the terms, provisions and conditions of the RAP MOU, as amended by this First Amendment, shall be and remain in full force and effect.
- VII. Entire Agreement. The RAP MOU, as amended by this First Amendment, represents the entire understanding between the Parties about the subject matter of the RAP MOU, as amended.
- VIII. Counterparts. This First Amendment may be signed by the authorized representatives of the Parties in multiple counterpart originals (including facsimile or electronic counterpart originals), each of which shall be deemed an original, and all such counterpart originals, when taken together, shall constitute one agreement.
- IX. Principles of Interpretation. No inference in favor of or against any Party shall be drawn from the fact that such Party has drafted any part of this First Amendment. The Parties have

participated substantially in the negotiation, drafting, and revision of this First Amendment, with advice from legal and other counsel and advisers of their own selection. A word, term or phrase defined in this First Amendment may be used in the singular, plural, past tense or future tense, regardless of how it is defined, all in accordance with ordinary principles of English grammar, which shall govern all language in this First Amendment. The words “include” and “including” in this First Amendment shall be construed to be followed by the words: “without limitation.” Each collective noun in this First Amendment shall be interpreted as if followed by the words “(or any part of it),” except where the context clearly requires otherwise. Every reference to any document, including this First Amendment, refers to such document, as modified from time to time (excepting any modification that violates the RAP MOU), and includes all exhibits, schedules, addenda and riders to such document. The word “or” in this First Amendment includes the word “and,” except where the context clearly requires otherwise. Every reference to a law, statute, regulation, order, form or similar governmental requirement in this First Amendment refers to each such requirement as amended, modified, renumbered, superseded or succeeded, from time to time.

- X. Binding on Successors and Assigns. This First Amendment shall be binding upon and inure to the benefit of the Parties and their respective legal representatives, successors and assigns.
- XI. No Other Representations or Warranties. Except as expressly set forth in this First Amendment, no Party makes any representation or warranty material to this First Amendment to any other Party.
- XII. Incorporation of Defined Terms. All terms, phrases and words indicated to be defined terms by initial capitalization in this First Amendment that are not specifically defined in this First Amendment (if any) shall have the meaning ascribed to the same term, phrase or word in the Agreement.

**[Remainder of page intentionally blank. Signatures appear on next page.]**

**SIGNATURE PAGE TO  
FIRST AMENDMENT TO MEMORANDUM OF UNDERSTANDING BETWEEN THE  
CITY OF SAN DIEGO  
AND  
THE SAN DIEGO HOUSING COMMISSION  
FOR THE ADMINISTRATION OF THE COVID-19 EMERGENCY RENT RELIEF  
PROGRAM**

---

IN WITNESS WHEREOF, this First Amendment is entered into by the City of San Diego, acting by and through its Mayor or designee, and by the San Diego Housing Commission, by and through the signature of Commission's authorized representative(s), all as set forth below.

SAN DIEGO HOUSING COMMISSION,  
a public agency

CITY OF SAN DIEGO,  
a California municipal corporation

By: \_\_\_\_\_  
Jeff Davis  
Executive Vice President & Chief Operating  
Officer

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

APPROVED AS TO FORM:  
CHRISTENSEN & SPATH LLP

APPROVED AS TO FORM:  
MARA W. ELLIOTT  
CITY ATTORNEY

By: \_\_\_\_\_  
Charles B. Christensen  
General Counsel

By: \_\_\_\_\_  
Heather Ferbert  
Deputy City Attorney

## Exhibit 1

### Attachment A: COVID-19 Emergency Rental Assistance Program (Statement of Work)

#### Phase I Statement of Work:

##### A. PROGRAM OVERVIEW

The RAP Program will be administered by Commission who has the expertise and capacity to implement this one-time rental assistance program in an expeditious and accountable manner. The Commission will subcontract with Community Based Organizations as determined necessary or appropriate by the Commission in order to most efficiently and expeditiously implement the RAP Program. RAP Program funding of \$15,100,000 can provide one-time rent relief assistance for up to 3,400 households if all households received the maximum assistance amount of \$4,000. The RAP Program will provide fixed rent relief amounts of \$4,000 or \$2,000 per household depending on their eligibility.

##### *1. Rental Assistance Program Design*

In anticipation of the quantity of applications that may be submitted and the one-time nature of the RAP Program, it is designed to be implemented with as little administrative burden as possible, while also ensuring it is as accessible as possible to those in need of the resource. The RAP Program will provide one-time rent assistance up to \$4,000 to households within the City of San Diego whose pre-COVID-19 incomes are at or below 60% Area Median Income (AMI), have an eligible immigration status, experienced a financial hardship related to COVID-19, are not receiving other rental subsidies nor live in a Commission-owned/managed property, and do not have sufficient savings to meet the household's financial need. The rent relief payments will be disbursed directly to the landlord or property management companies. The rental assistance payment may not exceed 3-month's rent, including arrears.

In order to mitigate health risks related to COVID-19, the application process will only be available online. Applicants who meet all eligibility criteria will be selected via lottery. Families with children and elderly households will then be prioritized. Commission staff will review the applications and coordinate with applicants and their landlords to disburse rent relief payments.

##### *2. Rental Assistance Program Workflow*

Once the application is live, it will be open for a limited period of time to accept applications. Applications will only be accepted online through the Commission Rent Relief Application Portal. The application will ask questions to determine eligibility and will require applicants to upload documents or self-certifications to verify their eligibility. Only one application per household will be permitted.

Commission will contract with Community Based Organizations to provide assistance to applicants who do not have internet access or have questions and need help completing and submitting their applications.

All applicants who meet the eligibility requirements will have the opportunity to be selected to receive assistance. Priority will be given to families with minor children and households with at least one person age 62 or older. Applications will be sorted and assigned numbers at random to identify the applicants who will receive help to pay their rent. All other eligible applications will be held in a waiting list in the event additional funding is available to provide emergency rent relief.

Applications that are prioritized will be reviewed by Commission staff to confirm they meet all eligibility criteria. Once eligibility is confirmed, Commission will coordinate with the applicant and their landlord or property management company to facilitate rent relief payment disbursement.

### *3. Rental Assistance Program Eligibility and Documentation Requirements*

Tenants will be eligible to receive assistance through the RAP Program if they meet the following criteria listed below. A detailed description of each eligibility criteria and the documentation needed for each category is provided following the list.

- A City of San Diego address.
- Household income in January 2020, at or below 60 percent of the San Diego Area Median Income (\$64,200 per year or less for a family of four).
- Eligible immigration status (U.S. citizen/U.S. National, lawful permanent resident/conditional permanent resident, a refugee/person seeking asylum or granted asylum).
- Financial hardship directly related to COVID-19.
- NOT currently receiving any rental subsidies.
- NOT currently a tenant of a Commission-owned/managed property.
- Household savings do NOT meet the household's financial need.

#### *a. Tenant with a City of San Diego Address*

Applicants must live in the City of San Diego and currently rent their primary residence. Documents that will be accepted as justification of this criteria are:

- Current tenant lease, and
- Utility bill
- State-issued ID with address of rental unit

#### *b. Household income is at or below 60% AMI on January 1, 2020*

Applicant's household income must be at or below 60% AMI on January 1, 2020. Using the date of January 1, 2020 will ensure that household income before any

changes due to COVID-19 will be considered. IRS Economic Impact Payments (federal stimulus checks) and Federal Pandemic Unemployment Compensation (the additional \$600/week) will not be included in household income calculations. Documents that will be accepted as justification of this criteria are:

- Paystubs
- 2019 Tax Return
- Award Letters
- Self-Certification
- Other

*c. Not currently receiving any rental subsidies*

In order to avoid a duplication of benefits, applicants currently receiving rental subsidies or other financial assistance for rent relief are not eligible to receive assistance under the RAP. Rental subsidies include Section 8, rapid rehousing assistance, rental assistance from non-profit agencies, or rental assistance from other federal programs, insurance, or sources.

Participants currently receiving Section 8 Housing Choice Voucher rental subsidies who have experienced a financial hardship due to COVID-19 are eligible to receive rent relief under an exception decrease in income hardship policy. This hardship policy applies to any decrease in income request that families submit beginning March 1, 2020 for any income loss due to COVID-19. The hardship applied reduces the participant's tenant rent payment to 20% of their monthly adjusted income for four consecutive months, subject to any adjustments so that if a household already had been approved for an adjustment at the time the extension of the number of months of benefits from four to six, the change to their rent calculation would be extended from four months to six month.

However, applicants who reside in *affordable housing units* are eligible for rental assistance. Applicants who reside in *affordable housing units* and are selected to receive rental assistance will receive \$2,000 in assistance because their rent amount is already reduced. "*Affordable housing units*" means a rental housing unit on which restrictions are recorded that require rents to remain affordable for households with income at or below 80 percent of San Diego Area Median Income.

Applicants will be required to submit a self-certification that states whether or not they have received, or will receive, duplicative rental assistance from another source before RAP assistance is provided. The applicant will also be required to indicate if the household resides in an affordable housing unit.

Applicants will be required to certify that, if the household subsequently receives a duplicative benefit, it agrees to repay the RAP.

*d. Household does not have savings to meet their need*

Applicants who currently have savings over \$4,000 are not eligible to receive rental assistance. This is to ensure that assistance is available for households who need it most. Applicants will be required to submit a self-certification that their household savings balance is under \$4,000.

*e. Eligible immigration status*

In order to adhere to federal funding regulations, only residents with an eligible immigration status may be eligible to receive rent relief payments. Applicants will be required to submit a self-certification of their immigration status. Eligible immigration statuses are:

- U.S. Citizen/U.S. National
- Lawful permanent resident/conditional permanent resident
- Refugee/person seeking asylum
- Person granted asylum

*f. Household experienced a financial hardship directly related to COVID-19*

The intent of the RAP Program is to provide diversion services to low-income tenants and help maintain stable housing. Additionally, some of the CARES Act funding requires that expenditures must be necessary expenditures incurred due to the public health emergency with respect to COVID-19. As such, applicants must verify that they experienced a financial hardship directly related to the COVID-19 pandemic that made them unable to pay rent.

The list below outlines the types of situations that will be determined eligible; however, this listing is not all inclusive nor does it preclude the consideration of additional situations

- Loss of income due to reduction of paid work hours due to COVID-19 (i.e. being laid off, loss of hours, income reduction, etc.)
- Loss of income due to sickness with COVID or caring for a household/family member who is/was sick with COVID-19
- Loss of income due to compliance with a recommendation from a government health authority to stay home, self-quarantine, or avoid congregating with others during the state of emergency
- Loss of income due to other factors resulting from COVID-19
- Increase in medical expenses incurred as a direct result of COVID-19

Types of documentation that will be accepted to verify the situations listed above are:

- Unemployment letter
- Employer termination letter

- Medical bill
- Notice of school or day-care closure
- Other

#### *4. Rental Assistance Program Prioritization and Selection Process*

The City of San Diego has approximately 273,000 units that are renter-occupied, and about 165,000 of these households earn less than 80% of the Area Median Income. Additionally, thousands of individuals have filed for unemployment insurance due to COVID-19.

Unemployment insurance assistance may be sufficient for some households, but for the hardest-hit households this will not be sufficient to help sustain their housing once the eviction moratorium is lifted. The RAP Program will be able to provide rent relief assistance to 3,400 households assuming each household receives the maximum amount of \$4,000. This means only a fraction of San Diegan tenants will be eligible to receive this assistance. In order to disburse funds fairly and help households who are most-in-need, a prioritization and random ranking system will be used to select applicants to receive a rental assistance payment. Applications that are submitted on time, completely, and meet the eligibility criteria will be entered into the prioritization and random ranking process. Commission staff will manually review applications according to their ranking and those that are determined to be eligible will receive rent relief assistance.

Applications will be prioritized in the following order:

- Families with minor children
- Households where at least 1 member is 62 years or older

#### *5. Rental Assistance Payment Disbursement*

Commission staff will coordinate with selected applicants and their landlord or property management company to disburse payment. All payments will be disbursed electronically to the landlord or property management company to ensure assistance is received and to reduce the administrative burden. No payments will be made directly to the applicant/tenant. In order to receive payment, Commission will need to verify unit ownership, establish the landlord or property management company as a vendor, and receive documentation to enable them to receive a direct deposit payment.

#### *6. Collaboration with CBOs*

In order to administer this RAP Program expeditiously while still maintaining the level of service anticipated, Commission will subcontract the following specific services to Community Based Organizations, to be effective upon the execution of this RAP MOU.

##### *a. Application Assistance*

Due to the high level of interest in this RAP Program and the large number of applications anticipated, Commission will contract application assistance services to a

Community Based Organization (CBO) that has the capacity and experience to carry this out. Interested tenants who need assistance completing the application or have questions about the application can contact the CBO and receive the assistance they need. Tenants who do not have internet access can contact the CBO who can submit an application on their behalf. Translation services may also be provided by the CBO.

*b. Tenant/Landlord Legal Assistance*

There will likely be a demand for legal assistance once the eviction moratorium is lifted, and Commission recommends offering this service to ensure that renters who receive rental assistance stay housed

**Phase II Statement of Work:**

**A. PROGRAM OVERVIEW**

Phase II of the RAP Program will be administered by Commission, which has the expertise and capacity to implement this one-time rental assistance program in an expeditious and accountable manner as outlined in the SDHC's City of San Diego COVID-19 Emergency Rental Assistance Program Phase 2 Implementation Plan. The Commission will subcontract with Community Based Organizations as determined necessary or appropriate by the Commission in order to most efficiently and expeditiously implement the RAP Program. RAP Program funding of \$5,000,000 can provide one-time rent relief assistance for up to 1,250 households if all households received the maximum assistance amount of \$4,000. The RAP Program will provide fixed rent relief amounts of up to \$4,000 or up to \$2,000 per household depending on their eligibility.

*1. Rental Assistance Program Design*

In anticipation of the quantity of applications that may be submitted and the one-time nature of the RAP Program, the RAP Program is designed to be implemented with as little administrative burden as possible, while also ensuring it is as accessible as possible to those in need of the resource. The RAP Program will provide one-time rent assistance up to \$4,000 to households within the City of San Diego whose pre-COVID-19 incomes are at or below 60% Area Median Income (AMI), have an eligible immigration status, experienced a financial hardship related to COVID-19, are not receiving other rental subsidies nor live in a Commission-owned/managed property, have not received emergency rental assistance funds from ERAP phase 1, and do not have sufficient savings to meet the household's financial need. The rent relief payments will be disbursed directly to the landlord or property management companies. The rental assistance payment will be prorated so it does not exceed 3-month's rent, including arrears with a maximum of up to \$4,000.

In order to mitigate health risks related to COVID-19, the application process will only

be available online. Applicants who meet all eligibility criteria will be selected via prioritization and random ranking process. Families with children and elderly households will then be prioritized.

Commission staff will review the applications and coordinate with applicants and their landlords to disburse rent relief payments.

2. Rental Assistance Program Workflow

Once the application is live, it will be open for a limited period of time to accept applications. Applications will only be accepted online through the Commission Rent Relief Application Portal. The application will ask questions to determine eligibility and will require applicants to upload documents or self-certifications to verify their eligibility. Only one application per household will be permitted.

Commission will contract with Community Based Organizations to provide assistance to applicants who do not have internet access or have questions and need help completing and submitting their applications.

All applicants who meet the eligibility requirements will have the opportunity to be selected to receive assistance. Priority will be given to families with minor children and households with at least one person age 62 or older. Applications will be sorted and assigned numbers at random to identify the applicants who will receive help to pay their rent. All other eligible applications will be held in a waiting list in the event additional funding is available to provide emergency rent relief.

Applications that are prioritized will be reviewed by Commission staff to confirm they meet all eligibility criteria. Once eligibility is confirmed, Commission will coordinate with the applicant and their landlord or property management company to facilitate rent relief payment disbursement.

3. Rental Assistance Program Eligibility and Documentation Requirements

Tenants will be eligible to receive assistance through the RAP Program if they meet the following criteria listed below. A detailed description of each eligibility criteria and the documentation needed for each category is provided following the list.

- A City of San Diego address.
- Household income in January 2020, at or below 60 percent of the San Diego Area Median Income (\$64,200 per year or less for a family of four).
- Eligible immigration status (U.S. citizen/U.S. National, lawful permanent resident/conditional permanent resident, a refugee/person seeking asylum or granted asylum).

- Financial hardship directly related to COVID-19.
- NOT currently receiving any rental subsidies.
- NOT currently a tenant of a Commission-owned/managed property.
- Household savings do NOT meet the household's financial need.

a. Tenant with a City of San Diego Address

Applicants must live in the City of San Diego and currently rent their primary residence. Documents that will be accepted as justification of this criteria are:

- Current tenant lease, and
- Utility bill
- State-issued ID with address of rental unit

b. Household income is at or below 60% AMI on January 1, 2020

Applicant's household income must be at or below 60% AMI in January 2020. Using the date of January 2020 will ensure that household income before any changes due to COVID-19 will be considered. IRS Economic Impact Payments (federal stimulus checks) and Federal Pandemic Unemployment Compensation (the additional \$600/week) will not be included in household income calculations. Documents that will be accepted as justification of this criteria are:

- Paystubs
- 2019 Tax Return
- Award Letters
- Self-Certification
- Other

c. Not currently receiving any rental subsidies

In order to avoid a duplication of benefits, applicants currently receiving rental subsidies or other financial assistance for rent relief or have received emergency rental assistance from ERAP phase 1 are not eligible to receive assistance under the RAP. Rental subsidies include Section 8, rapid rehousing assistance, rental assistance from non-profit agencies, or rental assistance from other federal programs, insurance, or sources.

Participants currently receiving Section 8 Housing Choice Voucher rental subsidies who have experienced a financial hardship due to COVID-19 are eligible to receive rent relief under an exception decrease in income hardship

policy. This hardship policy applies to any decrease in income request that families submit beginning March 1, 2020 through December 31, 2020 for any income loss due to COVID-19. The hardship applied reduces the participant's tenant rent payment to 20% of their monthly adjusted income until their regularly scheduled recertification.

However, applicants who reside in *affordable housing units* are eligible for rental assistance. Applicants who reside in *affordable housing units* and are selected to receive rental assistance will receive a maximum not exceed 3-month's rent, including arrears with a maximum of up to \$2,000 in assistance because their rent amount is already reduced. "*Affordable housing units*" means a rental housing unit on which restrictions are recorded that require rents to remain affordable for households with income at or below 80 percent of San Diego Area Median Income.

Applicants will be required to submit a self-certification that states whether or not they have received, or will receive, duplicative rental assistance from another source before RAP assistance is provided. The applicant will also be required to indicate if the household resides in an affordable housing unit.

Applicants will be required to certify that, if the household subsequently receives a duplicative benefit, it agrees to repay the funds distributed under this RAP Program.

*d. Household does not have savings to meet their need*

Applicants who currently have savings determined by the Commission per ERAP Phase 2 Implementation Plan to cover their need are not eligible to receive rental assistance. This is to ensure that assistance is available for households who need it most. Applicants will be required to submit a self-certification that their household savings balance is insufficient to meet their need. Determinations made under this section shall be made in compliance with the ERAP Phase 2 Implementation plan, and are in the sole discretion of the Commission.

*e. Eligible immigration status*

In order to adhere to federal funding regulations, only residents with an eligible immigration status may be eligible to receive rent relief payments. Applicants will be required to submit a self-certification of their immigration status.

Eligible immigration statuses are:

- U.S. Citizen/U.S. National
- Lawful permanent resident/conditional permanent resident
- Refugee/person seeking asylum

- Person granted asylum

*f. Household experienced a financial hardship directly related to COVID-19*

The intent of the RAP Program is to provide diversion services to low-income tenants and help sustain housing. Additionally, some of the CARES Act funding requires that expenditures must be necessary expenditures incurred due to the public health emergency with respect to COVID-

19. As such, applicants must verify that they experienced a financial hardship directly related to the COVID-19 pandemic that made them unable to pay rent.

The list below outlines the types of situations that will be determined eligible; however, this listing is not all inclusive nor does it preclude the consideration of additional situations

- Loss of income due to reduction of paid work hours due to COVID-19 (i.e. being laid off, loss of hours, income reduction, etc.)
- Loss of income due to sickness with COVID or caring for a household/family member who is/was sick with COVID-19
- Loss of income due to compliance with a recommendation from a government health authority to stay home, self-quarantine, or avoid congregating with others during the state of emergency
- Loss of income due to other factors resulting from COVID-19
- Increase in medical expenses incurred as a direct result of COVID-19

Types of documentation that will be accepted to verify the situations listed above are:

- Unemployment letter
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- Medical bill
- Notice of school or day-care closure
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*4. Rental Assistance Program Prioritization and Selection Process*

The City of San Diego has approximately 273,000 units that are renter-occupied, and about 165,000 of these households earn less than 80% of the Area Median Income. Additionally, thousands of individuals have filed for unemployment insurance due to COVID-19. Unemployment insurance assistance may be sufficient for some households, but for the hardest-hit households this will not be sufficient to help sustain their housing once the eviction moratorium is lifted.

The RAP Program will be able to provide rent relief assistance to approximately 1,250 households assuming each household receives the maximum amount of \$4,000. This means only a fraction of San Diegan tenants will be eligible to receive this assistance.

In order to disburse funds fairly and help households who are most-in-need, a prioritization and random ranking system will be used to select applicants to receive a rental assistance payment.

Applications that are submitted on time, completely, and meet the eligibility criteria will be entered into the prioritization and random ranking process. Commission staff will manually review applications according to their ranking and those that are determined to be eligible will receive rent relief assistance.

Applications will be prioritized in the following order:

- Families with minor children
- Households where at least 1 member is 62 years or older

5. Rental Assistance Payment Disbursement

Commission staff will coordinate with selected applicants and their landlord or property management company to disburse payment. All payments will be disbursed electronically to the landlord or property management company to ensure assistance is received and to reduce the administrative burden. No payments will be made directly to the applicant/tenant. In order to receive payment, Commission will need to establish the landlord or property management company as a vendor, and receive documentation to enable them to receive a direct deposit payment.

6. Collaboration with CBOs

In order to administer this RAP Program expeditiously while still maintaining the level of service anticipated, Commission will subcontract the following specific services to Community Based Organizations, to be effective upon the execution of this RAP MOU.

a. Application Assistance

Due to the high level of interest in this RAP Program and the large number of applications anticipated, Commission will contract application assistance services to a Community Based Organization (CBO) that has the capacity and experience to carry this out. Interested tenants who need assistance completing the application or have questions about the application can contact the CBO and receive the assistance they need. Tenants who do not have internet access can contact the CBO who can submit an application on their behalf. Translation services may also be provided by the CBO.

b. Tenant/Landlord Legal Assistance

Commission may continue to contract for services to assist tenants and landlords with disputes related to the emergency rental assistance payment if the demand for this service in the first iteration of ERAP demonstrates the need.

7. Reporting Requirements

The Commission will continue to provide monthly fiscal and programmatic reports to the City within 30 calendar days of end of month. A financial summary report will be provided within 45 days of fiscal year-end or end of grant period of availability (whichever is sooner), along with a programmatic report including a narrative report summarizing project goals and outcomes.

The programmatic and fiscal data elements will be provided to the City for ERAP Phase II as follows:

- Number of unduplicated households assisted
- Of households assisted, number of female head of households
- Number of unduplicated clients assisted (extrapolated from the number of people in the household)
- Ethnicity and race for head of household
- Ethnicity and race of unduplicated clients (extrapolated from number of people in the household)
- Household income Extremely Low (0-30% of AMI); Very Low (31-50% AMI); Low/Moderate (51-80% AMI)

Additional data elements for all:

- Reasons for disqualifications and #
- Number of applications funded
- How many households include minor children
- How many households include at least one person aged 62 or older
- Is there an unmet need
- List of landlords receiving funds and number of households with each landlord
- Funds paid per household
- Copies of landlord invoice
- Copy or documentation of the payment made to the landlords
- Commission bank statements documenting the payments made

**Exhibit B  
Grant Agreements**

**Attachment C: To the extent that all of these Grant Agreements are not available at the time of the execution of this RAP MOU, this Attachment C, shall be amended to include the CARES Act Grant Agreement and FY 2021 (PY2020) CDBG Entitlement Grant Agreement,**

**CDBG-CV Grant Agreement:**

DRAFT

**Funding Approval/Agreement**

Title I of the Housing and Community Development Act (Public Law 99-555)  
 HUD-9051SR of 2051SR

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

GMB Approval No. 2506-0191  
 exp 5/31/2018

1. Name of Grantee (as shown in item 1 of Standard Form 424) San Diego	3a. Drawee (edit) Tax ID Number 95-000776	3b. Grantee's S-dig/ DUNS Number 138735407
2. Grantee's Complete Address (as shown in item 1 of Standard Form 424) 202 C St, MS #9C San Diego, CA 92101	4. Date use of funds may begin (mm/dd/yyyy) 06/22/2000	
	5a. Project/Gen No. 1 R-00-MW-06-05-02	6a. Amount Approved \$7,223,529
	5b. Project/Gen No. 2	6b. Amount Approved

**Grant Agreement:** This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301, et seq.). The Grantee's submission for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make its funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibility as to circumstantial causes, omissions, mistakes, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 542(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by its subrecipient entities to which it makes funding assistance hereunder available.

J.S. Department of Housing and Urban Development (by Name) Richard Washington	Grantee Name (Do Not Leave Blank) San Diego (City Of San Diego)
Title CPO Director	Title DCOO
Signature 	Signature 
Date (mm/dd/yyyy) 06/22/2000	Date (mm/dd/yyyy) 10/18/2000

7. Category of Title Assistance for this Funding Action: Entitlement, Sec 106(a)	8. Special Conditions (check one) <input type="checkbox"/> None <input checked="" type="checkbox"/> Attached	9a. Title HUD Fiscal Year (mm/dd/yyyy) 07/24/2000 9b. Date Creation (mm/dd/yyyy) 08/22/2000 9c. Date of Start of Program Year (mm/dd/yyyy) 07/01/2000	10. Disclosure <input checked="" type="checkbox"/> a. Orig. Funding Approval <input type="checkbox"/> b. Amendment Amendment Number												
11. Amount of Community Development Block Grant <table border="1"> <tr> <td>a. Funds Reserved for this Grantee</td> <td>FY (MM/YY)</td> <td></td> </tr> <tr> <td></td> <td></td> <td>\$7,223,529</td> </tr> <tr> <td>b. Funds now being Approved</td> <td></td> <td></td> </tr> <tr> <td>c. Reserved to be Cancelled (Maximum 11%)</td> <td></td> <td></td> </tr> </table>				a. Funds Reserved for this Grantee	FY (MM/YY)				\$7,223,529	b. Funds now being Approved			c. Reserved to be Cancelled (Maximum 11%)		
a. Funds Reserved for this Grantee	FY (MM/YY)														
		\$7,223,529													
b. Funds now being Approved															
c. Reserved to be Cancelled (Maximum 11%)															

13a. Amount of Loan Guarantee Commitment now being Approved N/A	13b. Name and complete Address of Public Agency City Of San Diego 202 C St MS #9C San Diego, CA 92101
14. Loan Guarantor Acceptance Provisions for Designated Agencies: The public agency hereby accepts the terms and conditions of the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now in force and in effect, pertaining to the assistance provided it.	15. Name of Authorized Official for Designated Public Agency Title: Signature: X

**HUD Accounting use Only**

Bank	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	053											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		

Case Control #/S (mm/dd/yyyy)	Date Entered LOGS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
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**SAN DIEGO HOUSING COMMISSION**

**AGREEMENT FOR PLATFORM AND INTEGRATION ARCHITECTURE  
CONSULTANT SERVICES Phase II**

**WITH**

**BASC**

**(SERVICES, MATERIALS, SUPPLIES OR CONSULTING UNDER \$250,000)**

Contract No. IT-21-13

THIS AGREEMENT, entered into this \_\_\_\_\_ day of November 2020,

between the Commission:

SAN DIEGO HOUSING COMMISSION  
1122 Broadway, Suite 300  
San Diego, California 92101  
619-231-9400

and the Contractor:

BASC  
873 Avenue A  
Redondo Beach, CA 90277  
(310) 951 5600

is as follows:

101. Description of Work. Contractor shall provide the following services, supplies and/or materials to the Commission: Platform and Integration Architecture Consultant Services. Contractor shall provide such services to the Commission as generally described in the Specifications/Scope of Work

Additional Specifications/Scope of Work, if any, are contained in Attachment 101.

102. Time of Performance. All services required pursuant to this Agreement shall commence effective November 13, 2020, and continue through March 31, 2021.

(a) Provided, that the Contractor is not in default under the terms of this Agreement, the Chief Executive Officer of the Commission, may extend the terms of the Agreement for a period, not to exceed ninety (90) days, on the same payment schedule, terms and conditions, in effect on the date that the Agreement would otherwise have terminated, including the option period, if any. The option to extend the Agreement shall be at the Commission's discretion only, and may not be exercised by the Contractor. This ninety (90) day extension provision is in addition to options, if any, referenced in Attachment 102.

(b) The Agreement may not be extended for an aggregate period of more than ninety (90) days, but may be exercised in multiple “Notices of Extension”, of not less than seven (7) days in duration, for each such notice. The Agreement may be extended by the Commission by delivery of a Notice of Extension in writing to the Contractor and that the stated terms and conditions of the Agreement shall be adhered to by the Contractor and the Commission during the term of the extension.

(c) Nothing contained herein, however, shall require the Commission to exercise any option to extend the Agreement. During the extension of the Agreement, the Contractor shall provide the Commission with additional certificates of insurance, if necessary, covering the term(s) of the extension.

(d) A Notice of Extension may be served by the Commission upon the Contractor not earlier than sixty (60) days before the original termination date of the Agreement and not later than eighty-three (83) days after the original termination date of the Agreement. Nothing contained herein shall be construed as granting the Contractor a right to compel the Chief Executive Officer of the Commission to exercise the option to extend the Agreement.

(e) The Commission and Housing Authority of the City of San Diego (“Authority”) hereby delegate the authority to the Chief Executive Officer of the Commission to pay compensation to Contractor, during the option period, on a pro rata basis, for any extension period, based upon the contract rate in effect on the date of the exercise of the extension.

(f) All contracts which are approved by the Commission and/or Authority and include options for renewal may be renewed by the Chief Executive Officer or his/her designee at the previously stated terms for renewal. The Chief Executive Officer’s authority to execute the option for renewal includes authorization to execute the required documents, identify appropriate funding source and authorize payment of funds for the continuation of services identified in the Scope of Services.

Option(s) to extend, if any, is/are contained in Attachment 102.

103. Compensation. The total compensation for all services performed and/or materials and goods supplied pursuant to this Agreement shall not exceed the sum of One Hundred Seventy Five Thousand and No/100 Dollars (\$175,000.00). Contractor acknowledges that the Commission is under no obligation to compensate Contractor for services rendered and goods and materials supplied or expenses accrued under this Agreement in excess of the maximum compensation specified above. Payment shall be made after submission of invoices and within thirty (30) days of submission, if approved by the Commission.

Additional compensation terms, if any, are contained in Attachment 103.

104. Equal Opportunity Program Compliance. Contractor and each subcontractor, if any, shall fully comply with and shall submit a San Diego County Work Force Report and Certificate of Compliance with Title VII of the Civil Rights Act of 1964, as amended, the California Fair Employment Practices Act, and any other applicable Federal and State law regulations hereinafter

enacted.

105. Contract Requirements. Contractor agrees to comply with the applicable State and Federal requirements, covenants and conditions (hereinafter “requirements”) listed on pages 5 through 9 of this Agreement, full copies of which are available in the offices of the Commission. If the source of funding for this Agreement is, in whole or in part, from Federal funds, as referenced below, then all of the requirements referenced on pages 5 through 9 shall be applicable. If Federal funds are not used, then the Federal requirements referenced on pages 5 through 9 shall not be applicable, but the remaining requirements shall apply in the execution and performance of this Agreement. The source(s) of funds for this Agreement is/are  Federal  Non-Federal.

106. Insurance Requirements. Contractor shall obtain a single limit general liability insurance and automobile liability insurance in the minimum amount checked and initialed below. If nothing is checked or indicated below, the limit shall be One Million Dollars (\$1,000,000.00).

		Initials		Initials
<input checked="" type="checkbox"/>	<b>General Liability</b> \$1,000,000.00	_____	<input checked="" type="checkbox"/>	<b>Workers Compensation</b> \$1,000,000.00
<input checked="" type="checkbox"/>	<b>Automobile Liability</b> \$500,000.00	_____	<input type="checkbox"/>	<b>Other:</b> \$ _____

This coverage is in addition to workers compensation insurance and other insurance coverages required by law. The Commission, the Authority, and the City of San Diego (“City”) shall be named as certificate holders on all insurance policies and shall be named as additional insured on all general liability and automobile policies. The policies shall provide that coverage on all policies may not be canceled, amended, terminated or otherwise modified without thirty (30) days advance written notice to the Commission, the Authority, and the City. Coverage shall remain in full force and effect during the entire term of the policy and for such term thereafter as the Commission shall determine.

If the box shown below, marked “Errors and Omissions” is checked and initialed, then professional errors and omissions liability coverage is also required in the amount stated below:

		Initials
<input checked="" type="checkbox"/>	<b>Errors and Omissions</b> \$1,000,000.00	_____

107. Facsimile Approval By General Counsel. Approval of the form of this Agreement and the attachments, if any, may be in the form of a facsimile approval by General Counsel for the Commission. The approval may be executed in counterpart and attached to the original Agreement.

108. Acknowledgement of Funding Source. This Agreement is funded in whole or in part with Federal Relief Funds through the CARES Act.

Signature Page to Agreement for PLATFORM AND INTEGRATION ARCHITECTURE  
CONSULTANT SERVICES Phase II with BASC (Contract No.IT-21-13):

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the day  
and year first above written.

**Contractor:**

BASC

By: \_\_\_\_\_

**Chandra Venu**  
**President**

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

**Commission:**

SAN DIEGO HOUSING COMMISSION

By: \_\_\_\_\_

**Beto Juarez**  
Sr. Vice President of Information Technology  
And Chief Information Officer

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

By: \_\_\_\_\_

Geoffrey Bartell  
Vice President of Information Technology

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

By: \_\_\_\_\_

**Debra Fischle Faulk**  
**Vice President Procurement & Compliance**

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

**Approved as to Form:**

Christensen & Spath LLP

By: \_\_\_\_\_

Charles B. Christensen  
General Counsel  
San Diego Housing Commission

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

## General Provisions

1. **Preference for Domestic Materials.** Wherever possible in the performance of this Agreement, only unmanufactured materials produced in the United States, and only manufactured materials manufactured in the United States, manufactured substantially from materials produced in the United States shall be used in the performance of the Agreement. Any person who fails to comply with such provision shall not be awarded any contract to which this article applies for a period of three (3) years from the date of the violation. (GOVT CODE - 4304).
2. **Preparation of Written Reports or Documents.** Provided that the total cost for work performed by Contractor exceeds \$5,000, and requires preparation of any document or written report prepared for or under the direction of the Commission, which is prepared in whole or in part by Contractor or its agents, the document or written report shall contain the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of such document or written report. The contract and subcontract numbers and dollar amounts shall be contained in a separate section of such document or written report. (GOVT CODE -7550).
3. **Equal Opportunity.** During the performance of this Agreement, Contractor shall comply with all applicable local, State and Federal Equal Opportunity Programs, as well as any other applicable local, state and federal laws. Contractor shall not discriminate against any person, employee or applicant for employment, or otherwise, because of race, color, religion, ancestry, gender, disability, national origin, or any other basis prohibited by law. Contractor shall ensure that applicants for employment and employees are treated equally without regard to their race, color, religion, ancestry, gender, disability, national origin, or any other illegal classification. (GOVT CODE 12990).
4. **Notice of Regulations and Requirements Pertaining to Reporting.** Contractor's performance under this Agreement is subject to State and Federal regulations. Contractor hereby agrees to comply with all applicable requirements pertaining to reports or documentation required under the terms of this Agreement, if any.
5. **Contract Work Hours and Safety Standards Act.** In the event Contractor's performance of this Agreement entails the use of laborers or mechanics, and the Agreement is for more than the sum of \$100,000, and uses Federal funds, then Contractor shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 USC 3701 et seq.) as supplemented by Department of Labor regulations (29 CFR Part 5).
6. **Patents and Copyrights.** The Commission hereby reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use for government purposes any patents and/or copyrights in any work developed under this Agreement.
7. **Access to and Retention of Records.** Contractor hereby grants access to the United States Department of Housing and Urban Development (HUD), the Comptroller General of the United States, the City of San Diego, the Authority, the Commission, and/or their duly authorized representatives, to any books, documents, papers and records of the Contractor which are directly pertinent to this specific Agreement for the purposes of audits, examinations, excerpts and transcriptions. Contractor agrees to retain any such records and documents for three (3) years from the date of final payment under this Agreement.
8. **Energy Conservation.** Provided this Agreement uses Federal funds, Contractor hereby certifies compliance with the mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).
9. **Termination.** The Commission, thirty (30) days after mailing written notice to Contractor, may terminate this Agreement, in whole or in part, when it is in the Commission's interest. If this Agreement is terminated, the Commission shall be liable only for payment under the payment provisions of this Agreement for services, work and/or supplies, rendered and/or supplied before the effective date of termination. This Agreement may be terminated without notice, by the Commission, upon the cessation of funding of the state, local or federal program, which funds this Agreement.
10. **Status of Contractor.** This Agreement calls for the performance of the services, work and/or supplying

goods and/or materials by the Contractor as an independent contractor. Contractor will not be considered an employee of the Commission for any purpose.

**11. Conflict of Interest.** For the duration of this Agreement, the Contractor will not act as a consultant or perform services of any kind for any person or entity which would conflict with the services to be provided herein, or place the Contractor in positions adverse, hostile or incompatible with the interests of the Commission, the Housing Authority, or the City of San Diego.

**12. Contractor's Liability.** Contractor agrees to and shall indemnify, hold harmless, and defend, with counsel of the Indemnitee's choosing, at Indemnitor's sole cost and expense, the Commission, the Housing Authority, the City of San Diego, and all commissioners, officers, employees, members, council members and agents of each public agency (hereinafter collectively referred to as the "Indemnitees" or individually as an "Indemnitee") from and against any and all damages, liabilities, claims, fines, fees, costs, penalties, judgments, complaints, causes of action, actions, and demands, including, without limitation, demands arising from injuries to or death of persons (Contractor's employees included) and damage to real or personal property, or any other losses, damages or expenses, arising directly or indirectly out of the acts, failure to act or negligence of the Contractor, all obligations of this Agreement, or out of the operations conducted by Contractor including those in part due to the negligence of any of the Indemnitees save and except for liabilities, claims, judgments or demands arising through the sole negligence or sole willful misconduct of such Indemnitee.

**13. Subcontracting/Assignability.** No services or work covered by this Agreement may be subcontracted, nor may any interest in this Agreement be assigned or transferred (whether by assignment or novation) without the prior written approval of the Commission.

**14. Insurance.** Contractor shall maintain all insurance required by State and Federal law, including, but not limited to, Worker's Compensation, public liability and property damage insurance, and automobile liability insurance as referenced in Section 105, hereof. The Commission, the Authority, and the City shall be named as certificate holders on all insurance policies and shall be named as additional insured on all general liability and automobile policies. The policies shall provide that coverage on all policies may not be canceled, amended, terminated or otherwise modified without thirty (30) days advance written notice to the Commission, the Authority, and the City. Coverage shall remain in full force and effect during the entire term of the policy and for such term thereafter as the Commission shall determine. For any claims arising out of or in connection with Contractor's performance under this Agreement, the insurance required to be purchased and maintained by the Contractor shall be primary and non-contributory to any insurance carried by the Commission, the Authority and/or the City. All insurance required to be purchased and maintained by the Contractor shall be endorsed with a waiver of subrogation. Contractor's insurers, in their endorsements, agree to waive all rights of subrogation against the Commission, the Authority, the City, and their employees and agents for losses paid by Contractor's insurers that arise out of or in connection with Contractor's performance under this Agreement.

**15. Agreement Governed by Law of State of California.** This Agreement and its performance and all suits and special proceedings under this Agreement shall be construed in accordance with the laws of the State of California and the United States of America.

**16. Interest of Member of Congress.** No member or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this Agreement or to any benefit to arise therefrom, but this provision shall not be construed to extend to this Agreement if made with a corporation for its general benefit.

**17. Interest of Current or Former Members, Officers, Employees.** No member, officer or employee of the Commission, no member of the governing body of the locality in which the work is situated, no member of the governing body in which the Commission was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the assignment of work, shall, during his or her tenure, or for one (1) year thereafter, have any interest, direct or indirect, in this Agreement or the proceeds thereof. Any violation of this section shall result in unilateral and immediate termination of this Agreement by the Commission.

**18. Drug-free Workplace.** Contractor shall certify to the Commission that it will provide a drug-free workplace

and will comply with all State and Federal requirements pertaining to maintenance of a drug-free workplace.

**19. Section 3 Agreement Clauses (if Agreement funded with Federal funds and as applicable).**

(a) The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

(b) The parties to this Agreement agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

(c) The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

(d) The Contractor agrees to include the Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

(e) The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the Contractor is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR part 135.

(f) Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.

(g) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment subcontracts shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Agreement that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

**20. Assistance to Small and Other Business.** Consistent with Presidential Executive Orders 11625, 12138, and 12432, Commission requires Contractor to take positive steps to ensure that small and minority-owned businesses, women's business enterprises, and other individuals and firms located in or owned in substantial part by persons residing in the area of the Commission and/or labor surplus areas are used whenever possible, if the subcontracting of services or work covered by this Agreement is anticipated and approved by Commission. Such efforts shall include, but shall not be limited to: (i) including such firms, when qualified, on solicitation mailing lists; (ii) encouraging their participation through direct solicitation of proposals whenever they are a potential source; (iii) dividing total subcontract requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms; (iv) establishing delivery schedules, where the requirement permits, which encourages participation by such firms; and (v) using the services and assistance of the Small Business Commerce.

(a) A small business is defined as a business that is independently owned, not dominant in its field of operation and not an affiliate or subsidiary of a business dominant in its field of operation.

(b) A minority-owned business is defined as a business which is at least 51% owned by one or more minority groups; or in the case of a publicly owned business, one in which at least 51% of its voting stock is owned by one or more minority group members, and whose management and daily business operation are controlled by one or more such individuals. Minority group members include, but are not limited to, Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Asian Indian Americans, and Hasidic Jewish Americans.

(c) A women's business enterprise is defined as a business that is at least 51% owned by a woman or women who are U.S. citizens and who control and operate the business.

(d) A labor surplus area business is defined as a business which, together with its immediate subcontractors, will incur more than 50% of the cost of performing the contract in an area of concentrated unemployment or underemployment, as defined by the U.S. Department of Labor in 20 CFR Part 654, Subpart A, and in the list of labor surplus areas published by the Employment and Training Administration.

**21. Lobbying Provisions.** Contractor hereby certifies to the Commission, under penalty of perjury, under the terms of applicable federal law, that at all applicable times before, during and after the term of the Agreement, that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative contract, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative contract;

(b) If any funds other than Federal appropriated funds have been paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Agreement, grant, loan or cooperative contract, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions;

(c) Contractor will require that the above stated language be included in the award documents for all subawards at all tiers, including subcontracts, subgrants, loans, contracts, and cooperative contracts concerning the subject matter of this Agreement; and

(d) Further, Contractor and all subrecipients, at all times, shall certify compliance with the provisions of 31 USC 1352 and any and all terms and conditions of the Byrd Anti-Lobbying Amendment, as amended from time to time.

**22. Entire Agreement.** This Agreement represents the sole and entire Agreement between the Commission and Contractor and supersedes all prior negotiations, representations, agreements, arrangements or understandings, either oral or written, between or among the parties hereto, relating to the subject matter of this Agreement, which are not fully expressed herein. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both the Commission and Contractor.

**23. Attorneys' Fees and Costs.** The prevailing party in litigation for the breach and/or interpretation and/or enforcement of the terms of this Agreement shall be entitled to their expert witness fees, if any, as part of their costs of suit, and reasonable attorneys' fees as may be awarded by the court, pursuant to California Code of Civil Procedure ("C.C.P.") Sections 1717, 1032, 1033 and 1033.5 and any other applicable provisions of California law, including, without limitation, the provisions of C.C.P. Section 998.

**24. Disputes.** Provided that any source of funds for this Agreement is obtained from Federal sources, then this Agreement shall be subject to the Contract Disputes Act of 1978, as amended, (41 USC 601-613), and except as expressly otherwise provided in the Act, all disputes arising under or relating to this Agreement shall be resolved

under the terms of this clause by litigation in State Court. If this Agreement is solely funded from Non-Federal funds, then all disputes shall be resolved by litigation in San Diego County Superior Court, Downtown Branch, after first attempting resolution of the dispute through non-binding mediation.

**25. Labor Provisions.** It is the responsibility of the Contractor and the Contractor shall be fully aware of and shall comply with each and every requirement of State, Federal and Local law concerning the provision of labor concerning this Agreement, including but not limited to, the payment of applicable wage rates, if any.

If checked, additional state prevailing wage terms are contained in Attachment 104.

If checked, additional federal prevailing wage terms are contained in Attachment 104.

**26. Notices.** Notices to the parties shall, unless otherwise requested in writing, be sent to the Commission and the Contractor at the addresses stated on page 1.

**27. Non-Disclosure.** The designs, plans, reports, investigations, materials, and documents prepared or acquired by the Contractor pursuant to this Agreement (including any duplicate copies kept by the Contractor) shall not be shown or disclosed to any other public or private person or entity directly or indirectly, except as authorized by the Commission. The Contractor shall not disclose to any other public or private person or entity directly or indirectly, any information regarding the activities of the Commission during the term of this Agreement or at any time thereafter except as authorized by the Commission.

**28. Correction of Work.** The performance of services by the Contractor shall not relieve the Contractor from any obligation to correct any incomplete, inaccurate or defective work at no further cost to the Commission, when such inaccuracies are due to the negligence of the Contractor, provided such work has not been accepted in writing by an authorized representative of the Commission.

**29. Audit Requirements.** Where this Agreement is funded by federal funding, 24 CFR 84.26 requires that nonprofit institutions and institutions of higher education shall be subject to the audit requirements contained in the Single Audit Act Amendments of 1996, and revised OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." All entities other than non-profit institutions shall be subject to the audit requirements of HUD or the prime recipient as incorporated into the award document.

Where this Agreement is funded by non-federal funds, Contractor shall be subject to audit requirements as set forth in the award document, if it exists. Otherwise Contractor shall adhere to those requirements as set forth in the Single Audit Act Amendments of 1996 and revised OMB Circular A-133.

**30. Statement of Economic Interest Disclosure Form. (for consulting services only)**

Contractor shall assure that each principal of the Contractor that is supervising the Contractor's work under this Agreement shall file a completed and executed Statement of Economic Interest Disclosure Form (Form 700) with the City Clerk's Office of the City of San Diego, a copy of which is attached to this Agreement, if applicable, at the following times:

- (a) Upon execution of this Agreement;
- (b) Annually on or before April 1 of each year;
- (c) Within thirty (30) days after completion of the Agreement.

Said form will be filed within ten (10) days of written notice from the Commission to the Contractor.

**31. Contractor Evaluation Program.**

An essential component of public works contract administration is the regular evaluation and documentation of contractor performance. During the course of the Agreement, the Commission shall conduct performance evaluations to document the Contractor's record of meeting the various terms of the Agreement. Commission shall proactively monitor and manage the performance of the Contractor during the term of the Agreement, and shall create an objective record of performance that can and may be utilized when evaluating the Contractor as a responsible bidder for future bid and proposal submissions, contract extension or renewal consideration, or termination of the contract due to unsatisfactory performance. Contractor Evaluation program and appeal procedures are located on the Commission website at [www.sdhc.org](http://www.sdhc.org) and are included by reference as a provision of this Agreement.

**32. CDBG Requirements:**

A. Project Records

1 GENERAL. Contractor shall maintain, and require its Subcontractors to maintain, all Project Records during the term of this Agreement, including those required by the Federal regulations specified in 24 C.F.R. 570.506 and 24 C.F.R. 576.500, and those required by the FY 2021 Operating Manual that are pertinent to the activities to be funded under this Agreement.

2 ACCOUNTING RECORDS. Contractor shall maintain, and require its Subcontractors to maintain, complete and accurate accounting records, in accordance with Generally Accepted Accounting Principles (GAAP) in the industry. Contractor shall also comply with 24 C.F.R. part 200 regarding accounting principles and procedures therein, utilizing internal controls, and maintaining necessary source documentation for all costs incurred.

3 INSPECTION AND PHOTOCOPYING. At any time during normal business hours and as often as requested, Contractor shall permit, and require its Subcontractors to permit, the Commission, City, HUD, the Comptroller General of the United States (Comptroller General), or any of their duly authorized representatives, to inspect and photocopy, at a reasonable location within the County of San Diego (e.g., the offices of Commission), all Project Records for the purposes of making audits, examinations, excerpts, and/or transcriptions, as well as monitoring and/or evaluating Contractor's performance of its obligations and/or duties under this Agreement. The Commission, City, HUD, and Comptroller General may retain copies of the same, with appropriate safeguards, if such retention is deemed necessary by the Commission, City, HUD, or Comptroller General in its sole discretion. The Commission and City will keep all copies of Project Records in the strictest confidence required by law. Any refusal by Contractor to fully comply with the provisions of this section shall be deemed a material breach of this Agreement and shall be grounds for immediate termination.

4 DUPLICATES OF RECORDS. Upon any request by the Commission, City, HUD, Comptroller General, or any of their duly authorized representatives, for any Project Records, Contractor shall submit, and require its Subcontractors to submit, exact duplicates of the originals of the requested Project Records to the requesting party for the purposes described herein.

5 STORAGE PERIOD. Except where longer retention periods are required pursuant to 24 C.F.R. 576.500(y), Contractor shall store, and require its Subcontractors to store, all Project Records for a period of not less than five (5) years after Contractor's final submission of all required reports under this Agreement, or five (5) years after the City and Commission make all final payments, or until all pending matters (including audit findings) have been resolved, whichever is longest. All Project Records shall be kept at Contractor's (or relevant Subcontractor's) regular place of business. At any time during the storage period, Contractor shall permit, and require its Subcontractors to permit, the Commission, City, HUD, Comptroller General, or any of their duly authorized representatives, to inspect and photocopy all Project Records for the purposes described above.

## B. MISCELLANEOUS PROVISIONS

1 RECOGNITION OF FUNDING SOURCE. Contractor shall ensure, and require its Subcontractors to ensure recognition of the role of the federal CDBG Program in funding services under this Agreement. All activities performed, facilities and items utilized, and publications prepared, using CDBG funding in connection with this Agreement shall be prominently labeled to reference the use of CDBG Funds from HUD as a funding source. The reference shall be worded as follows: "This project is funded in whole or in part with Community Development Block Grant (CDBG) Program funds provided by the U.S. Department of Housing and Urban Development (HUD) to the City of San Diego."

2 OPERATING MANUAL. Contractor acknowledges receipt of, and shall comply with, and require its Subcontractors to comply with the FY 2021 Operating Manual, including, but not limited to, those provisions related to fiscal accountability, eligible and ineligible project expenditures, and procedures for financial management, accounting, budgeting, record keeping, reporting, and other administrative functions.

3 PLAYING BY THE RULES HANDBOOK. By executing this Agreement, Contractor acknowledges, and shall require its Subcontractors receiving CDBG funding to acknowledge, that it has received, read, and understood the contents of the Playing by the Rules Handbook and shall fully comply with all of the administrative recommendations set forth therein.

## C. COMPLIANCE WITH OTHER FEDERAL LAWS, REGULATIONS, AND REQUIREMENTS

1 UNIFORM ADMINISTRATIVE REQUIREMENTS. Contractor shall comply, and require its Subcontractors to comply, with all applicable uniform administrative requirements set forth in 24 C.F.R. 570.502 and 576.407, including, but not limited to, federal CDBG financial and contractual procedures as applicable, as well as 2 C.F.R. 200 subparts B through D. These federal documents are on file at the City's Economic Development Department, located at 1200 Third Avenue, Suite 1400, San Diego, CA 92101.

2 OTHER PROGRAM REQUIREMENTS. Contractor shall comply, and require its Subcontractors to comply, with all federal laws and regulations described in 24 C.F.R. 570 subpart K (sections 570.600 through 570.614) and 24 C.F.R. 576 subpart E (sections 576.400 through 576.408), except that:

(a) Contractor does not assume the City's environmental responsibilities described in 24 C.F.R. 570.604 or 576.407; and

(b) Contractor does not assume the City's responsibility for initiating the review process described in 24 C.F.R. part 52.

3 ENERGY POLICY AND CONSERVATION ACT. Contractor shall comply, and require its Subcontractors to comply, with the mandatory standards and policies relating to energy efficiency, which are contained in California's energy conservation plan, issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163, 89 Stat. 871).

4 CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT. Contractor shall comply, and require its Subcontractors to comply, with all applicable standards, orders or regulations issued pursuant to Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387) – for contracts in excess of \$150,000.

5 COPELAND "ANTI-KICKBACK" ACT. Contractor shall comply, and require its Subcontractors to comply, with the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 C.F.R. part 3) – for contracts involving construction or repair.

6. RELIGIOUS ACTIVITIES. Contractor shall comply, and require its Subcontractors to comply, with all applicable HUD requirements governing the use of CDBG Funds by religious organizations, including those set forth in 24 C.F.R. 570.200(j), as well as Executive Order 11245 (as amended by Executive Order 13279).

7 REVERSION OF ASSETS. Upon the expiration or termination of this Agreement, Contractor shall transfer, and shall require its Subcontractors to transfer, to the Commission any CDBG funds on hand at the time of expiration and any accounts receivables attributable to the use of CDBG funds.

8 FAIR HOUSING ACT. Contractor shall comply, and require its Subcontractors to comply, with Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, which prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and disability. In addition, Commission shall comply with the regulations issued following Title VI of the 1964 Civil Rights Act (as amended by Executive Orders 11246, 11375, and 12086) and Section 109 of the 1975 Housing and Community Development Act that prohibits discrimination in HUD programs based on sex, race, color, national origin, and religion and administer all programs and activities in a manner to affirmatively further the policies of the Fair Housing Act.

9 SECTION 504. Contractor shall comply, and require its Subcontractors to comply, with any Federal regulations issued pursuant to Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against

10 RESOURCE CONSERVATION AND RECOVERY ACT. Contractor shall comply, and require its Subcontractors to comply, with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Commission (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

## ATTACHMENT 101

### SPECIFICATIONS/ SCOPE OF WORK

Section 101. Description of Work (Continued from Page 1):

This continuation of the description of work is expressly incorporated into the Agreement and is a continuation of the provisions set forth in Page 1 of this Agreement.

Contractor shall work closely with the IT Applications team as well as Sr. IT leadership to define and refine the current applications roadmap. As such, the scope of services shall comprise of the following:

The scope of work entails building a secure website with updated modules for applicants and administration staff, built-in decisioning logic for determining eligibility, and a ranking function for all applicants.

The application shall be accessible via internet and mobile devices, including smart phones and tablets. During the initial development phase Contractor shall meet daily to update on milestones and progress pertaining to the application. Portal will be built with the ability to ensure all applicants have an equal opportunity to apply.

Alternatively, at the request of the Commission, Contractor can leverage a leading-edge cybersecurity firm to provide web application and penetration testing to ensure website is secure and stable for an additional fee.

Contractor shall provide technical support through the entire development, implementation, and deployment process as necessary. All mutually agreeable Change Requests in the course of the engagement will be considered separate and additional work if they do not fall within this scope of work.

At a high-level, below are the main components for this project:

Determine Updates to Eligibility, Logic, and Prioritization

- Modify existing Commission ERAP Application for specific program needs
- Modify fields for the application as outlined by Commission
- New Tenant Portal development
- Commission-ERAP2 email messaging to distribute notifications
- Update and modify Emergency Relief Amount Calculation
- Apply new changes in eligibility requirements per Commission needs
- Ability for applicant to register and upload/modify document on their own
- Application languages to be developed the same as ERAP1 (Babic solution)
- Go-live date: December 17, 2020

## Back-end Administration

- Modify and update existing Commission ERAP Administration site to process updated Eligibility function
- Ability to send notifications to applicants as status of their application changes
- Ability to begin processing applications while Commission ERAP2 portal is open
- 211 Access to all Applicant applications
- 211 Access to all landlord information

## Fiscal Requirements

- Payments to be made directly to Landlord
- Notification of payments will be made to Landlord, Applicant, and Service provider

## Infrastructure Requirements

- AWS new server configuration
- Web server architecture updates
- Ability to begin processing applications while SDHC ERAP2 portal is open

## Project Approach

Contractor will apply an Agile approach to this project. Given the tight deadline, Contractor will assign multiple resources to fast-track the development and deployment of the platform. As such, daily Scrum calls will be scheduled to ensure project requirements and resources are met.

## Timeline

The agreed upon date of completion given the level of effort required for this project has been set to end of December, 17 2020.

Commission will assign a main point of contact, or Project Manager, to help coordinate meetings, document, and milestone reviews

**NOTE: *The Contractor agrees to not disclose any designs, plans, reports, investigations, materials, findings, documents or information which are prepared or acquired in the performance of the Agreement unless authorized by the Commission in writing.***

## **ATTACHMENT 102**

### **ADDITIONAL TERM OF CONTRACT**

Section 102. Time For Performance. (Continued from Page 1):

The Commission may, at its election, extend this Agreement's term for one additional one (1) year term, by giving written notice of the election to extend the Agreement to the Contractor, in accordance with the provisions set forth in Section 102. The compensation to be paid the Contractor during the extended term, if any, shall be compensation set during the base year of the Agreement. Nothing contained in this Section 102 shall require the Commission to exercise any or all of the options to extend the term of the Agreement. The options exist in favor of the Commission, at its sole option. All other terms and conditions of the Agreement during the option period(s) shall be as set forth in the Agreement and shall be unamended by the exercise of any option granted herein. The options granted herein are in addition to the ninety (90) day option to extend set forth in Section 102 on Page 1.

This continuation of the time for performance provision is in addition to the provisions set forth in Page 1 of this Agreement and is expressly incorporated into the Agreement.

**ATTACHMENT 103**

**ADDITIONAL COMPENSATION TERMS**

Section 103. Compensation. (Continued from Page 2):

Fees and Payment:

<b>Development Phase</b>
Infrastructure setup
Web Server Application Design and Architecture
Tenant Portal Build Configuration
Admin Portal Build and Configuration
Database Setup
Test
Implement
Project Management
ERAP1 Ongoing Support (\$125 p/hour)

1. The estimated project cost is not to exceed \$175,000 at the hourly rate of \$155 for all project roles, and is to be paid on the following schedule:
  - a. 50% of total project fee due upon signing of the agreement
  - b. Remaining 50% due upon project completion
2. Contractor strongly recommends adding AWS architecture and configuration services for Tenant and Admin portal, for an additional, one-time fee of \$12,000
3. Standard Technical Support included in this proposal covers a period of 30 days post go- live date
4. If Commission chooses to add extended Technical Support, there will be an additional fee of \$125 per hour. Blocks can be procured in 50 hour blocks
5. If Commission chooses to add 3<sup>rd</sup> Party Application Penetration Testing, there will be an additional fee of \$10,500, paid directly to the vendor
6. Commission and Contractor shall agree upon any possible Change Requests to separately scope and approve additional efforts prior to commencement
7. If there are additional requirements which arise during the project that are not specified in this document, Contractor is committed to work with Commission to ensure successful delivery of the project

**Contractor shall not exceed the limits as expressed in Section 103.**

DRAFT

**SECOND AMENDMENT TO THE THIRD OPTION**  
**SAN DIEGO HOUSING COMMISSION'S AGREEMENT FOR**  
**TEMPORARY STAFFING SERVICE**  
**WITH REMEDY TEMPORARY SERVICES, LLC D/B/A REMX**  
**Contract No. FS-17-03.3**

WHEREAS, the San Diego Housing Commission ("Commission") and REMX ("Contractor") entered into that certain Agreement for Temporary Staffing Services ("Agreement"), dated June 8, 2017 effective May 15, 2017 through May 14, 2018.

WHEREAS, on June 12, 2018, the Commission and Contractor executed the Exercise of First Option for an additional one-year term from May 15, 2018 through May 14, 2019, as contained in Attachment 102 of the Agreement.

WHEREAS, on April 12, 2019, the Commission and Contractor executed the Exercise of Second Option for an additional one-year term from May 15, 2019 through May 14, 2020, as contained in Attachment 102 of the Agreement.

WHEREAS, on April 7, 2020, the Commission and Contractor executed the Exercise of Third Option for an additional one-year term from May 15, 2020 through May 14, 2021, as contained in Attachment 102 of the Agreement.

WHEREAS, on July 13, 2020 the Commission and Contractor executed the Exercise of First Amendment to increase compensation by \$100,000 to add additional temporary staffing for the emergency rent relief project due to the COVID 19 Pandemic.

WHEREAS, the Commission and Contractor now desire to amend the Agreement in order to increase compensation by \$250,000 during the Third Option Period to extend the time for temporary staff on boarded as a result of the rent relief project, through March 2021, due to the COVID 19 Pandemic and pursuant to the approval of the Commission's Board and the Housing Authority for the City of San Diego.

NOW THEREFORE, the Commission and Contractor hereby amend the Agreement and agree as follows:

1. Compensation during Third Option Period. The total compensation for all services performed and/or materials and goods supplied under the Agreement, as amended, during the Third Option Period shall be amended and increased, and shall not exceed Five Hundred Thousand and No/100 Dollars (\$500,000.00). All services performed and/or materials and goods supplied under the Agreement shall be on the same terms and conditions as set forth in the Agreement, as amended.

2. No Novation. The parties hereto acknowledge and agree that except for the changes set forth herein to exercise the Second Amendment to Third Option under the Agreement, all of the terms and provisions of the Agreement are hereby acknowledged by the parties to be valid and are hereby recognized, renewed, extended and continued in full force and effect.

3. Counterparts. This Second Amendment to Third Option may be executed in any number of counterparts and, as so executed the counterparts shall constitute one and the same agreement. The parties agree that each such counterpart is an original and shall be binding upon all the parties, even though all of the parties are not signatories to the same counterpart.

**[Signatures continue on the Following Page]**

DRAFT

IN WITNESS WHEREOF, the parties have caused this SECOND AMENDMENT TO THIRD OPTION to be executed this \_\_\_ day of November, 2020.

**CONTRACTOR:**

REMEDY TEMPORARY SERVICES, LLC D/B/A REMX

By: \_\_\_\_\_  
Rory S. Sakin  
Senior Vice President

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

**COMMISSION:**

SAN DIEGO HOUSING COMMISSION

By: \_\_\_\_\_  
Jeff Davis  
Deputy Chief Executive Officer

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

By: \_\_\_\_\_  
Tracy McDermott  
Chief Financial Officer

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

By: \_\_\_\_\_  
Debra Fischle-Faulk  
Sr. Vice President, Compliance & Equity Assurance

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

**Approved as to Form:**  
Christensen & Spath LLP

By: \_\_\_\_\_  
Charles Christensen  
General Counsel for San Diego Housing Commission

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



The City of San Diego  
**Item Approvals**

**Item Subject:** Authorization to Execute an Amended MOU between the City and the San Diego Housing Commission for the Oversight and Administration of the City's COVID-19 Emergency Rental Assistance Program and Authorization to Expend Additional Federal Funds and Enter Into Contract Extensions to Support the Program.

<b>Contributing Department</b>	<b>Approval Date</b>
DOCKET OFFICE	11/12/2020
DEPARTMENT OF FINANCE	11/17/2020

<b>Approving Authority</b>	<b>Approver</b>	<b>Approval Date</b>
HOUSING COMMISSION FINAL DEPARTMENT APPROVER	MARSHALL, SCOTT	11/09/2020
EXECUTIVE VICE PRESIDENT	DAVIS, JEFF	11/17/2020
CITY ATTORNEY	MALCOLM, KATE	11/19/2020