

City of Coalinga
Loan Portfolio Management Services
AGREEMENT FOR SERVICES
With Self-Help Enterprises

THIS AGREEMENT is made and entered into this ____ day of _____, 2016, by and between the City of Coalinga, a political subdivision of the State of California, hereinafter referred to as "CITY," and Self-Help Enterprises, a California nonprofit corporation, hereinafter referred to as "SHE," as follows:

WHEREAS, CITY has received federal and state housing grants from the State of California Department of Housing and Community Development (HCD); and

WHEREAS, CITY has created a housing loan portfolio from activities funded under these grants; and

WHEREAS, CITY desires assistance to maintain administrative and financial systems for its housing loan portfolio; and

WHEREAS, SHE was incorporated for the purpose of promoting better living conditions for low income persons through the development of new housing and related community facilities and through the repair and rehabilitation of existing housing; and

WHEREAS, SHE has the expertise and staff to administer a housing loan portfolio;

THEREFORE, it is agreed as follows:

1. SHE RESPONSIBILITY: SHE shall provide the following ongoing housing loan services
 - a. Handle Fair Housing and Section 504 complaints;
 - b. Set-up borrower loan payment accounts in SHE's Loan Portfolio Management software tracking system;
 - c. Provide payment coupons, as needed;
 - d. Track loan payments received by the City;
 - e. Follow up on delinquent loan payments;
 - f. Follow up on delinquent or canceled insurance for participants with loans;
 - g. Force place insurance;
 - h. Follow up on delinquent property taxes for participants with loans;
 - i. Annually request proof of residency from owner/occupant participants;
 - j. Ensure that any conversion of property rehabilitated with City funds meets current program requirements;
 - k. Provide mortgage verification;
 - l. Process title changes of property;
 - m. Process release of grants at end of term;

- n. Process demands, payoffs, and reconveyances;
- o. Process request for approval of short sale;
- p. Process defaults and foreclosures, as directed by the City;
- q. Handle subordination requests;
- r. Handle assumptions (in the case of deceased borrowers) and loan term amendments. Note – Loan assumptions are not eligible for CalHome-funded loans;
- s. Process request for removal of responsible party on loan;
- t. Investigate report of change in occupancy from owner-occupant to renter;
- u. Provide annual interest paid statements to participants;
- v. Report interest paid on loans as required by Federal regulations; and
- w. Prepare and retain all pertinent records and documents sufficient to reflect all costs submitted by SHE for Loan Portfolio Management services. Retain such records and documents for a period of a minimum of five (5) years from the date of final payment.

2. **CITY RESPONSIBILITY:**

CITY shall be responsible for the following:

- a. Receive and record housing loan payments;
- b. Monthly, provide SHE the amount and date of loan payments, and insurance confirmations received;
- c. Forward to SHE all Fair Housing or Section 504 complaints, foreclosure notices, and notices from insurance companies, or requests for deed reconveyance.
- d. Verify all records and documents, and monitor and evaluate the activities of SHE to ensure compliance with the terms of this Agreement.

3. **BUDGET – 2015/2016:** The estimated Loan Portfolio Management budget is eight thousand six hundred eighty dollars (\$8,680) for services rendered under this Agreement, as defined below:

2015/2016	
Fees for Services	\$7,680
<u>Direct Charges</u>	<u>\$1,000</u>
Total Charges	\$8,680

In June of each subsequent year, SHE shall provide CITY with an estimated budget based on the size of the loan portfolio. This budget may be increased by the City Manager, not to exceed 20% per year based on negotiations with SHE, without City Council review.

4. **FEES FOR SERVICES** – Charges for Loan Portfolio Management services will be at the rate of \$16 per loan per month, currently estimated at 33 and estimated not to exceed 40 during the 2015-2016 fiscal year. If the Portfolio increases above 40 loans, a budget increase may be necessary. The fee includes salary and benefits, travel and overhead including: routine clerical and administrative support, office expense, space, telephone, etc.

5. DIRECT CHARGES: SHE will bill for the reimbursement of costs associated with payment of forced insurance, recording fees, title fees, and tax fees on a case-by-case basis with the approval of the CITY. The Direct Charges budget is an estimate based on the size of the loan portfolio. Increases in this budget may be necessary if actual costs exceed the amount budgeted.

6. METHOD OF PAYMENT: CITY shall pay SHE for services rendered under this Agreement, as follows:
 - a. On or before the fifteenth day of each month, SHE shall submit an invoice for fees and charges applied to performance of this Agreement during the previous month.
 - b. SHE shall submit its final invoice under this Agreement within fifteen (15) days following the expiration date of this Agreement.
 - c. CITY shall make payment to SHE within thirty (30) days after receipt of a proper invoice.

7. INSPECTION AND AUDIT: CITY may inspect all applicable records and may cause to be audited invoices and supporting data relative to the funds paid by CITY to SHE.

8. INSURANCE AND HOLD HARMLESS: SHE shall carry workers compensation insurance in accordance with workers compensation laws of the State of California. To the fullest extent permitted by law, SHE will indemnify CITY, its officials and employees against and hold them harmless from any and all liability for damages on account of injury to persons or damage to property resulting from or arising out of the performance by SHE of this Agreement and reimburse CITY, its officials and employees for all costs, expenses and losses incurred by them in consequence of any claims, demands or causes of action which may be brought against them arising out of the performance by SHE of this Agreement. SHE shall furnish CITY with a Certificate of Insurance with combined single limits of at least \$1,000,000 for bodily injuries and property damages on each occurrence. The Certificate of Insurance shall state that the contractual liability assumed under this Agreement is covered and shall provide that a ten (10) day notice of cancellation or reduction in coverage shall be given to CITY. Certificates of said coverage shall be filed with CITY before any work commences.

9. TERM OF CONTRACT:
 - a. This Agreement shall take effect when it has been signed by both parties and shall expire three years from that date.
 - b. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their heirs, successors, survivors, and assigns.

10. TERMINATION: This Agreement may be terminated by either party by giving thirty (30) days prior written notice to the other. Any funds due SHE will be forwarded by CITY to SHE.

11. COMPLIANCE WITH ALL LAWS: SHE shall comply with all applicable Federal, State, and local laws and regulations, including but not limited to laws and regulations pertaining to conflicts of interest.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the day and in the year first set forth above.

CITY OF COALINGA

SELF-HELP ENTERPRISES

Marissa Trejo
City Manager
for the City of Coalinga

Thomas J. Collishaw
President and CEO

EXHIBIT "A"

STANDARD CONTRACT LANGUAGE -- ALL CONTRACTS

1. Nondiscrimination Clause: During the performance of this contract, Contractor and its subcontractors, as well as their agents and employees, shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, gender identity, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (including, but not limited to, health impairments related to or associated with a diagnosis of cancer), age (over 40 years of age), marital status, and use of or denial of family and medical care leave or use of or denial of pregnancy disability leave. Contractors and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free some such discrimination and harassment. Contractor and subcontractors, as well as their agents and employees, shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12990 et seq.) and the applicable regulations promulgated hereunder (Title 2, California Code of Regulations, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990 (a)-(f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this contract by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

Contractor shall include the nondiscrimination compliance provisions of this clause in all subcontracts to perform work under the contract.

2. National Labor Relations Board Certification: The Contractor warrants by execution of this Agreement and does swear under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against the Contractor within the immediately preceding two-year period because of the Contractor's failure to comply with an order of a federal court, which orders the Contractor to comply with an order of the National Labor Relations Board. (Cal. Public Contract Code § 10296) (Not applicable to public entities.)
3. Relocation: The Contractor shall comply with all requirements of applicable California relocation law (Gov. Code, § 7260 et seq. and the regulations promulgated thereunder at Cal. Code Regs., tit. 25, § 6000 et seq.). Any relocation plan for the Development shall be subject to the review and approval by the State.
4. Americans with Disabilities Act (ADA) of 1990: By signing this Agreement, Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.
5. Drug Free Workplace: By signing this contract, the contractor or grantee hereby certifies under penalty of perjury under the laws of the State of California that the contractor or grantee will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture distribution, dispensation, possession or use a controlled substance is prohibited and specifying actions to be taken against for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
 - i. The dangers of drug abuse in the workplace;
 - ii. The person's or organization's policy of maintaining a drug-free workplace;
 - iii. Any available counseling, rehabilitation, and employee assistance programs; and,
 - iv. Penalties that may be imposed upon employees for abuse violations.
- c. Every employee who works on the proposed contract will:
 - i. Receive a copy of the company's drug-free workplace policy statement; and
 - ii. Agree to abide by the terms of the company's statement as a condition of employment on the contract.

6. Union Organizing:

- a. Contractor, by its execution of this Agreement, hereby acknowledges that it has read the prohibitions on use of state funds and facilities to assist, promote, or deter union organizing set forth in Chapter 6 of Part 2 of Division 4 of Title 2 of the Government Code, commencing with Section 16645.
- b. By signing this Agreement, Contractor hereby certifies that none of the funds being provided hereunder will be used to assist, promote, or deter union organizing.
- c. If the assistance provided hereunder is in the form of a grant, Contractor shall account for the grant funds as follows:
 - (1) State funds designated by Contractor for use for a specific expenditure shall be accounted for as allocated to that expenditure.
 - (2) State funds not so designated shall be allocated on a pro rata basis to all expenditures by the Contractor that support the program or project for which the grant is made.
- d. If Contractor is a private employer or if the assistance provided hereunder is in the form of a grant, and Contractor makes expenditures, regardless of source of funds, to assist, promote, or deter union organizing, Contractor shall maintain records sufficient to show that State funds have not been used for those expenditures.

EXHIBIT B

STANDARD CONTRACT LANGUAGE: ALL CONTRACTS AND SUBCONTRACTS

1. The Civil Rights, HCD, and Age Discrimination Acts Assurances:
During the performance of this Agreement, the Grantee assures that no otherwise qualified person shall be excluded from participation or employment, denied program benefits, or be subjected to discrimination based on race, color, national origin, sex, age, or handicap, under any program or activity funded by this contract, as required by Title VI of the Civil Rights Act of 1964, Title I of the Housing and Community Development Act of 1974, as amended, and the Age Discrimination Act of 1975, and all implementing regulations.

2. Rehabilitation Act of 1973 and the “504 Coordinator”
The Grantee further agrees to implement the Rehabilitation Act of 1973, as amended, and its regulations, 24 CFR Part 8, including, but not limited to, for Grantees with 15 or more permanent full or part time employees, the local designation of a specific person charged with local enforcement of this Act, as the “504 Coordinator”.

3. The Training, Employment and Contracting Opportunities for Business and Lower Income Persons Assurance of Compliance:
 - a) The grant activity to be performed under this Agreement is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C 1701u. Recipients, contractors and subcontractors shall direct their efforts to provide, to the greatest extent feasible, training and employment opportunities generated from the expenditure of Section 3 covered assistance to Section 3 residents in the order of priority provided in 24 CFR 135.34(a)(2).

 - b) The parties to this Agreement will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.

 - c) The Grantee will include these Section 3 clauses in every contract and subcontract for Work in connection with the grant activity and will, at the direction of the State, take appropriate action pursuant to the contract or subcontract upon a finding that the Grantee or any contractor or subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR Part 135 and, will not let any contract unless the Grantee or contractor or subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

 - d) Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of the Agreement shall be a condition of the federal financial assistance provided to the project, binding upon the Grantee, its successors and assigns. Failure

to fulfill these requirements shall subject the Grantee, its contractors and subcontractors, its successors and assigns to those sanctions specified by the grant or contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.

4. Assurance of Compliance with Requirements Placed on Construction Contracts of \$10,000 or more

The Grantee hereby agrees to place in every contract and subcontract for construction exceeding \$10,000 the Notice of Requirement for Affirmative Action to ensure Equal Employment Opportunity (Executive Order 11246), the Standard Equal Employment Opportunity, and the Construction Contract Specifications. The Grantee furthermore agrees to insert the appropriate Goals and Timetables issued by the U.S. Department of Labor in such contracts and subcontracts.

5. Labor Standards –Federal Labor Standards Provisions

The Grantee shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of:

Davis-Bacon Act (40 U.S.C. § 276a, revised at 40 U.S.C. § 3142) requires that workers receive no less than the prevailing wages being paid for similar work in their locality. Prevailing wages are computed by the Department of Labor and are issued in the form of Federal wage decisions for each classification of work. The law applies to most construction, alteration, or repair contracts over \$2,000.

Copeland “Anti-Kickback” Act (18 U.S.C. § 874) requires that workers be paid at least once a week without any deductions or rebates except permissible deductions.

Contract Work Hours and Safety Standards Act–CWHSSA (40 U.S.C. § 3701 et seq.) requires that workers receive “overtime” compensation at a rate of 1-1/2 times their regular hourly wage after they have worked 40 hours in one week.

Title 29, Code of Federal Regulations, Subtitle A, Parts 1, 3 and 5 are the regulations and procedures issued by the Secretary of Labor for the administration and enforcement of the Davis-Bacon Act, as amended.