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DATE: August 1, 2012

TO: Honorable Mayor and City Councilmembers

FROM: Neighborhood Services Department  
Housing and Code Enforcement Division

SUBJECT: **ALLOCATION OF COMMUNITY DEVELOPMENT BLOCK GRANT CONTINGENCY FUNDS IN THE AMOUNT OF \$100,000 TO OPERATION HOPE OF VISTA FOR ACQUISITION OF A WINTER HOMELESS SHELTER FACILITY, AND APPROVAL OF A LOAN AGREEMENT**

### **SYNOPSIS**

Staff recommends that the City Council allocate \$100,000 from Community Development Block Grant contingency funds to Operation HOPE of Vista for the acquisition and renovation of a facility for a permanent winter homeless shelter; amend the 2012-2013 Action Plan to add this activity; approve a ten-year forgivable loan agreement in the amount of \$100,000 with Operation HOPE, and authorize the City Manager to execute the loan documents.

### **BACKGROUND**

Operation HOPE was founded in 2003 to provide a case-managed, drug- and alcohol-free winter shelter program for homeless families. Clients are provided safe housing, warm meals, supportive services and education curriculum designed to help them move from homelessness to transitional or permanent housing. Operation HOPE has been a member of the Alliance for Regional Solutions since its inception and works closely with North County Lifeline, Interfaith Community Services, Vista Community Clinic, North County Solutions for Change and other North San Diego County health and social service agencies. Staff of Operation HOPE works with families to find some form of housing before the end of the shelter season. On April 1, 2012, no client left Operation HOPE without somewhere to live; 42 children were no longer homeless due to staff efforts. Operation HOPE operates under a permit from the City of Vista that restricts the program to homeless families and homeless single women. Approximately thirty percent of clients in the past three years have identified Oceanside as their residence prior to becoming homeless.

Operation HOPE has used temporary facilities for the winter shelter program since opening doors in 2003. Due to the success of the program and a desire to move toward a more stable and secure future, the Board of Directors is seeking to acquire a permanent facility for the winter shelter. The Board has identified a feasible site in Vista with an acquisition cost of \$600,000 and estimated renovation costs of \$200,000.

## **ANALYSIS**

Operation HOPE is requesting \$100,000 from the City of Oceanside's Community Development Block Grant (CDBG) contingency fund for the acquisition and renovation of a facility to be used as a permanent winter homeless shelter. Operation HOPE is restricted by the City of Vista to serving homeless families and homeless single women. Approximately thirty percent of Operation HOPE clients in the past three years have listed Oceanside as their residence prior to becoming homeless. Oceanside's contribution to the proposed project budget of \$800,000 would be one-eighth of the total cost while Oceanside clients make up close to one-third of Operation HOPE's clients. The proposed budget and timeline are attached to this report.

The loan agreement in the amount of \$100,000 will assist Operation HOPE with the acquisition and renovation of the facility and is fully forgivable after ten years, provided that Operation HOPE remains in compliance with the terms and condition of the loan agreement.

Oceanside hosts one winter shelter, Bread of Life Ministries, which is the only winter shelter in North San Diego County to take single men. Both Bread of Life and Operation HOPE are members of the Alliance for Regional Solutions. The City makes an annual contribution to the Alliance to support the winter shelter programs; in FY 2012-13 the City will contribute \$30,000 to the Alliance.

## **FISCAL IMPACT**

The proposed action will appropriate \$100,000 from CDBG contingency fund account 921790000237. As of July 1, 2012, the contingency fund held approximately \$101,484.

## **INSURANCE REQUIREMENTS**

The City's standard insurance requirement will be met.

## **COMMISSION OR COMMITTEE REPORT**

At its meeting on July 24, 2012, the Housing Commission recommended approval of staff recommendation.

## **CITY ATTORNEY'S ANALYSIS**

The documents have been reviewed by the City Attorney and approved as to form.

The City Council is authorized to hold a public hearing in this matter. Consideration of this matter should be based on the testimony and evidence presented at the hearing. After conducting the hearing, the Council shall adopt, modify or deny the recommendations contained in this report.

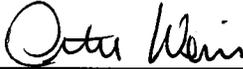
**RECOMMENDATION**

Staff recommends that the City Council allocate \$100,000 from Community Development Block Grant contingency funds to Operation HOPE of Vista for the acquisition and renovation of a facility for a permanent winter homeless shelter; amend the 2012-2013 Action Plan to add this activity; approve a ten-year forgivable loan agreement in the amount of \$100,000 with Operation HOPE, and authorize the City Manager to execute the loan documents.

PREPARED BY:

SUBMITTED BY:

  
\_\_\_\_\_  
Brendan Mangar  
Management Analyst

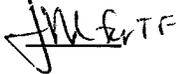
  
\_\_\_\_\_  
Peter A. Weiss,  
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

Margery M. Pierce, Director, Neighborhood Services

Teri Ferro, Director, Financial Services

ATTACHMENTS:

Loan Agreement with Operation Hope-Vista  
Promissory Note with Operation Hope-Vista  
UCC Financing Statement (UCC1)

**A LOAN AGREEMENT BETWEEN THE CITY OF OCEANSIDE AND  
OPERATION HOPE - VISTA  
FOR THE USE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

This loan agreement (the "Agreement") is entered into by and between the City of Oceanside, a municipal corporation of the State of California, hereinafter "CITY", and Operation HOPE - Vista, a nonprofit corporation, hereinafter "BORROWER".

RECITALS:

1. CITY is recipient of funds from the United States Department of Housing and Urban Development (hereinafter "HUD") pursuant to Title I of the Housing and Community Development Act of 1974 (41 USC 5301-5320) as amended (hereinafter "ACT").
2. CITY has approved the provision of federal funds under the ACT to be used by the BORROWER as provided in its "Scope of Work", attached hereto as Exhibit "A" and incorporated herein by reference.
3. BORROWER represents that it shall perform the work as set forth in the Scope of Work pursuant to the "Budget", attached hereto as Exhibit "B" and incorporated herein by reference.
4. CITY shall provide Community Development Block Grant ("CDBG") funds to the BORROWER in the amount set forth in the Budget, and pursuant to the terms of this agreement.

NOW THEREFORE, in consideration of the foregoing recitals and based on the mutual covenants below, the parties hereby agree as follows:

A. BORROWER'S OBLIGATIONS

1. Use of Funds BORROWER agrees to use all federal funds provided by CITY to BORROWER pursuant to the provisions of this Agreement, the Scope of Work, and Budget for said program or project. BORROWER's failure to perform as required may, in addition to other remedies set forth in this Agreement, result in readjustment of the amount of funds CITY is otherwise obligated to pay to BORROWER under Section B hereof.

BORROWER agrees to use said funds to pay for necessary and reasonable costs to operate said program. Said amount shall include wages, administrative costs, employee benefits comparable to other similarly situated employees, construction costs, acquisition of real property or equipment, and other allowable project costs as detailed in the Budget.

BORROWER agrees to repay the loan in the amount of \$100,000 in accordance with the terms and conditions of the promissory note, which is executed herewith along with the security agreement (the "Loan Documents").

BORROWER shall not use any funds received pursuant to this Agreement for the purpose of 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 the awarding of any Federal contract, the making of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement as set forth in the Certification Regarding Lobbying, attached hereto as Exhibit "C".

2. Scope of Work BORROWER represents that the Scope of Work as set forth as Exhibit A includes an accurate schedule for performance and completion of the work. These items shall be in sufficient detail to provide a sound basis for the CITY to effectively monitor performance under the Agreement.

3. Budget BORROWER represents that the Budget as set forth as Exhibit B includes only allowable costs and an accurate analysis of costs applicable to CDBG funds pursuant to 24 CFR 502, which includes requirements for compliance with the following in addition to other requirements:

a. If BORROWER is a governmental entity, Office of Management and Budget ("OMB") Circular Nos. A-87, A-128 (24 CFR Part 44), and with certain sections of 24 CFR Part 85; or

b. If BORROWER is not a governmental entity, OMB Circular No. A-122, "Cost Principles for Nonprofit Organizations" or OMB Circular No. A-21, "Cost Principles for Educational Institutions", as applicable, OMB Circular No. A-110, "Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations", and with certain sections of 24 CFR Part 84.

These items shall be in sufficient detail to provide a sound basis for the CITY to effectively monitor performance under the Agreement.

4. Records and Reports The BORROWER shall maintain the following records and reports to assist CITY in maintaining its record keeping requirements:

a. Records:

(1) Documentation of the income level of persons and/or families participating in or benefiting by the BORROWER'S program

(2) Documentation of the number of persons and/or households participating in or benefiting by the BORROWER'S program

(3) Documentation of all CDBG funds received from CITY

(4) Documentation of expenses as identified in the Budget

(5) Any such other related records as CITY shall require for HUD Performance Measurement reporting

b. Reports:

(1) Quarterly Performance Reports due October 15, January 15, and April 15 while the project is underway

(2) An annual Performance Report due July 30 each year while the project is underway

(3) A final performance report due thirty (30) days after the completion of the project

(4) Any other reports as CITY shall reasonably require.

5. Program Income BORROWER shall manage program income in accordance with the principles described in 24 CFR 507.504(c). The CITY may require remittance of all or part of any program income balances held by the BORROWER when this Agreement expires or received after this Agreement's expiration.

6. Uniform Administrative Requirements BORROWER shall comply with applicable uniform administrative requirements as described in 24 CFR 570.502(b).

7. Separation of Accounts All funds received by BORROWER from CITY pursuant to this Agreement shall be maintained separate and apart from any other funds of BORROWER or of any principal or member of BORROWER.

8. Retention of Records All accounting records and evidence pertaining to all costs of BORROWER and all documents related to this Agreement shall be kept available at BORROWER'S office or place of business for the duration of the loan agreement and thereafter for five (5) years after completion of an audit. Records which relate to (a) complaints, claims, administrative proceedings or litigation arising out of the performance of this Agreement, or (b) costs and expenses of this Agreement to which CITY or any other governmental agency takes exception, shall be retained beyond the five (5) years until resolution or disposition of such appeals, litigation claims, or exceptions.

9. Compliance with Applicable Laws BORROWER agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the Housing and Urban Development regulations concerning Community Development Block Grants). BORROWER also agrees to comply with all other applicable federal, State and local laws, regulations, and policies governing the funds provided under this contract. The BORROWER shall secure any new permits required by authorities herein with jurisdiction over the project, and shall maintain all presently required permits. The BORROWER shall ensure that the requirements of

the National Environmental Policy Act are met for any permits or other entitlements required to carry out the terms of this Agreement.

10. Construction Provisions The terms and conditions of this section shall be applicable whenever any funds under this Agreement are used for construction purposes. Borrower agrees that the provisions of the Davis-Bacon Act, as amended, the Contract Work Hours and Safety Standards Act (CHWSSA), and the Copeland "Anti-Kickback Act" shall be a part of all construction contracts awarded by BORROWER pursuant to this Agreement, and all subcontracts thereto. BORROWER agrees to include the following language in any Notice Inviting Bids (advertisement) and in any construction contracts issued by BORROWER for the project, and all subcontracts thereto: "This project is funded in whole or in part with federal funds; Davis-Bacon prevailing wage requirements and reporting requirements will be enforced. If State funds are involved then the higher of the two wage rates will be enforced."

a. Inspections

During normal business hours and, in the event of emergency, at any time, BORROWER shall permit CITY staff, inspectors and consultants to (1) enter upon the property and all portions thereof, (2) inspect the property and the materials to be used in connection with the project, and (3) examine all contracts, books, records, the Plans and Specifications (once the same have been prepared) and any shop drawings or other construction plans relating to the project, whether in the possession of the BORROWER, the General Contractor, or BORROWER's contractors, subcontractors, representatives or consultants, and make copies of any such items at BORROWER's expense.

b. Disbursement Payments

Cost shall be deemed to have been "incurred" by the project at the following times as to direct costs: when the labor has been performed or the materials have been delivered on site and incorporated into the project, payment therefor has been requested by the contractor, and such contractor or supplier is entitled thereto.

c. Construction Related Liens

BORROWER shall promptly discharge or cause to be discharged any mechanics' or materialman's liens or claims of lien filed or otherwise asserted against the property, the project, or any funds due the General Contractor or any other party with whom BORROWER may have a direct contract, or any stop notices received by the CITY, and BORROWER shall cause any proceedings for enforcement of the same to be promptly dismissed; except that BORROWER shall have the right to contest in good faith and with diligence the validity of any such lien or claim of lien. In the case of stop notices, BORROWER shall immediately provide to the CITY a bond from a surety acceptable to the CITY in its sole discretion and in form and amount sufficient to release such stop

notice and otherwise in form and substance acceptable to the CITY. The CITY shall not be required to make any further disbursements until such mechanics' liens and all stop notices have been fully released or discharged or bonded against to the CITY's satisfaction.

If BORROWER fails to promptly discharge or contest liens, claims or stop notices and provide the bond, there is an adverse conclusion to any such contest and BORROWER does not cause any final judgment or decree to be fully satisfied and the lien or stop notice to be discharged, then, in either event, the CITY may, but shall not be required to, procure the release and discharge of any such lien or stop notice and any judgment or decree thereon, and in furtherance thereof, may, in its sole discretion, effect any settlement or compromise or furnish any security or indemnity as may be required.

11. Nondiscrimination Policy

a. Provision of Program Services.

(1) BORROWER shall not on the ground of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance exclude any person from participation in, deny any person the benefits of, or subject any person to discrimination under any program or activity funded in whole or in part with CDBG funds.

(2) BORROWER shall not under any program or activity funded in whole or in part with CDBG funds, on the ground of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance:

(a) Deny any facilities, services, financial aid or other benefits;

(b) Provide any facilities, services, financial aid or other benefits that are different or are provided in a different form from that provided to others;

(c) Subject to segregated or separate treatment in any facility in, or in any matter of process related to receipt of any service or benefit;

(d) Restrict in any way access to, or in the enjoyment of any advantage or privilege enjoyed by others in connection with facilities, services, financial aid or other benefits;

(e) Treat an individual differently from others in determining whether the individual satisfies any admission, enrollment, eligibility, membership, or other requirement or condition which the individual

must meet in order to be provided any facilities, services or other benefit;

(f) Deny an opportunity to participate in a program or activity as an employee.

(3) BORROWER, in determining the site or location of housing or facilities provided in whole or in part with CDBG funds, may not make selections of such site or location which have the effect of excluding individuals from, denying them the benefits of, or subjecting them to discrimination on the ground of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance, or which have the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of the Civil Rights Act of 1964 and amendments thereto.

(4) Notwithstanding anything to the contrary in Sections A.11.a.(1)-(3), nothing contained herein shall be construed to prohibit any BORROWER from maintaining or constructing separate living facilities or rest room facilities for the different sexes. Furthermore, selectivity on the basis of sex is not prohibited when institutional or custodial services can properly be performed only by a member of the same sex as the recipients of the services.

b. Employment Discrimination

(1) BORROWER shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance. BORROWER shall take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation and selection for training including apprenticeship. BORROWER agrees to post in conspicuous places available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

(2) BORROWER shall, in all solicitations or advertisements for employees placed by or on behalf of BORROWER, state that all qualified applications will receive consideration for employment without regard to race, color, creed,

religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance.

(3) If BORROWER is a religious corporation, association, educational institution, or society, Section 202 of Executive Order 11246 of September 24, 1965, as amended, shall not apply with respect to the employment of particular individuals of a particular religion to perform work connected with the carrying on by such corporation, association, education institution, or society of its activities. BORROWER is not exempted or excused from complying with the other requirements contained in Executive Order 11246 of September 24, 1965, as amended.

(4) BORROWER shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by CITY's contracting officers advising the labor union or workers' representative of BORROWER'S commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, as amended, and shall post copies of the notices in conspicuous places available to employees and applicants for employment.

(5) BORROWER shall comply with all provisions of Executive Order 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) BORROWER shall furnish to the CITY all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended, and by the related rules, regulations, and orders.

(7) In the event of BORROWER'S failure to comply with any rules, regulations, or orders required to be complied with pursuant to this Agreement, CITY may cancel, terminate, or suspend in whole or in part its performance and BORROWER may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, as amended, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) BORROWER shall include the provisions of Section A.10.b., "Employment Discrimination", paragraphs (1) through (6) in every sub-contract or purchase order unless exempted by rules, regulations, or order of the Secretary of Labor issued pursuant to Section 204 of Executive Order

No. 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each sub-contractor or vendor. BORROWER shall take such action with respect to any sub-contract or purchase order as the CITY may direct as a means of enforcing such provisions including sanctions for non-compliance; Provided, however, that in the event BORROWER becomes involved in, or is threatened with, litigation with a sub-contractor or vendor as a result of such direction by the CITY, BORROWER may request the United States to enter into such litigation to protect the interests of the United States.

(9) BORROWER shall not discriminate on the basis of age in violation of any provision of the Age Discrimination Act of 1975 (42 USC 6101 et seq.) or with respect to any otherwise qualified disabled individual as provided in Section 504 of the Rehabilitation Act of 1973 (29 USC 794) and the Americans with Disabilities Act. BORROWER shall also provide ready access to and use of all CDBG-fund-assisted buildings to physically handicapped persons in compliance with the standards established in the Architectural Barriers Act of 1968 (42 U.S.C 4151 et seq.).

c. Remedies In the event of BORROWER'S failure to comply with any rules, regulations, or orders required to be complied with pursuant to this Agreement, the CITY may cancel, terminate, or suspend in whole or in part its performance and BORROWER may be declared ineligible for further government contracts and any such other sanctions as may be imposed and remedies invoked as provided by law.

12. Ineligibility of BORROWER or Contractors BORROWER shall not use CDBG funds directly or indirectly in its operations or to employ, award contracts to, or otherwise engage the services of, or fund any contractor during any period of debarment, suspension, or placement in ineligibility status of the BORROWER or such contractor under the provisions of 24 CFR Part 24.

13. Conflict of Interest In the procurement of supplies, equipment, construction, and services by BORROWER, the conflict of interest provisions in Attachment O of OMB circular No. A-110 and 24 CFR 570.611 shall apply.

14. Condition for Religious Organizations In addition to, and not in substitution for, other provisions of this Agreement regarding the provision of public services with CDBG pursuant to Title I of the Housing and Community Development Act of 1974, as amended, the BORROWER:

a. Represents that it is, or may be deemed to be, a religious or denominational institution or organization or an organization

operated for religious purposes which is supervised or controlled by or in connection with a religious or denominational institution or organization;

b. Agrees that, in connection with such public services:

(1) It will not discriminate against any person applying for such public services on the basis of religion and will not limit such services or give preference to persons on the basis of religion;

(2) It will provide no religious instruction or counseling, conduct no religious worship, and will exert no other religious influence in the provision of such public services (For purposes of this subsection A.13., such activities shall be referred to as "Ineligible Activities."); and

(3) To the extent that the funds received under this Agreement are used to construct, rehabilitate or restore any facility that is owned by the BORROWER and in which public services are to be provided, BORROWER will establish a policy for determining cost allocation between the program services to be provided under this Agreement and Ineligible Activities that occur in the facility. BORROWER's policy may allocate the funds according to time or space, as appropriate, such that the proportion of funds received under this Agreement shall be no greater than the proportion of time or space for which the facility is used to provide the public services under this Agreement.

15. Suspension and Termination In accordance with 24 CFR 85.43, suspension or termination may occur if BORROWER materially fails to comply with any term of this Agreement and/or the award, and the Agreement and/or the award may be terminated for convenience in accordance with 24 CFR 85.44.

16. Reversion of Assets Upon the termination or expiration of the term of this Agreement, the BORROWER shall transfer to the CITY any CDBG funds on hand at the time of such termination or expiration and any accounts receivable attributable to the use of CDBG funds. Any real property under the BORROWER'S control that was acquired or improved in whole or in part with CDBG funds in excess of twenty-five thousand dollars (\$25,000.00) shall either be:

a. Used to meet one of the National Objectives stated in 24 CFR 570.901 until five (5) years after termination or expiration of this Agreement, or for such longer period of time as determined to be appropriate by the CITY; or

b. Disposed of in a manner that results in the CITY's being reimbursed in the amount of the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Reimbursement to the CITY shall not be required after the period of time specified in Section A.16.a. of this Agreement.

17. Licensing BORROWER agrees to obtain and maintain all licenses, registrations, accreditation, and inspections from all agencies governing its operations. BORROWER shall insure that its staff shall also obtain and maintain all required licenses, registrations, accreditation and inspections from all agencies governing BORROWER'S operations hereunder.

18. Inspection of Records CITY and the United States Government and/or their representatives shall have access for purposes of monitoring, auditing, and examining BORROWER'S activities and performance, to books, documents and papers, and the right to examine records of BORROWER'S sub-contractors, bookkeepers and accountants, employees and participants in regard to said program. CITY and the United States Government and/or their representative shall also schedule on-site monitoring at their discretion. Monitoring activities may also include, but are not limited to, questioning employees and participants in said program and entering any premises or any site in which any of the services or activities funded hereunder are conducted or in which any of the records of BORROWER are kept. Nothing herein shall be construed to require access to any privileged or confidential information as set forth in federal or State law. In the event BORROWER does not make the above-referenced documents available within the City of Oceanside, California, BORROWER agrees to pay all necessary and reasonable expenses incurred by CITY in conducting any audit at the location where said records and books of account are maintained.

19. Independent Contractor BORROWER'S relationship to the CITY shall be that of an independent contractor. BORROWER shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless specifically authorized in writing by the City Manager. The BORROWER shall not be authorized to communicate directly with, nor in any way direct the actions of, any bidder or the construction contractor for this project without the prior written authorization by the City Manager. BORROWER shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this Agreement. BORROWER shall report to the CITY any and all employees, agents, and consultants performing work in connection with this project, and all shall be subject to the approval of the CITY.

20. Workers' Compensation Pursuant to California Labor Code section 1861, the BORROWER hereby certifies that the BORROWER is aware of the provision of section 3700 of the Labor Code which require every

employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and the BORROWER will comply with such provisions, and provide certification of such compliance as a part of this Agreement.

21. Liability Insurance

a. BORROWER shall, throughout the duration of this Agreement maintain comprehensive general liability insurance, and property damage insurance, or commercial general liability insurance, covering all operations of BORROWER, its agents and employees, performed in connection with this Agreement including but not limited to premises and automobile.

b. BORROWER shall maintain liability insurance in all the following minimum limits:

Comprehensive General Liability Insurance  
(bodily injury and property damage)

|                                      |              |
|--------------------------------------|--------------|
| Combined General Liability Insurance | \$1,000,000  |
| General Aggregate                    | \$2,000,000* |

Commercial General Liability Insurance  
(bodily injury and property damage)

|  |             |
|--|-------------|
| General limit per occurrence             | \$1,000,000 |
| General limit project specific aggregate | \$2,000,000 |

|                                       |             |
|---------------------------------------|-------------|
| <u>Automobile Liability Insurance</u> | \$1,000,000 |
|---------------------------------------|-------------|

\*General aggregate per year, or part thereof, with respect to losses or other acts or omissions of BORROWER under this Agreement.

c. If coverage is provided through a Commercial General Liability Insurance policy, a minimum of 50% of each of the aggregate limits shall remain available at all times. If over 50% of any aggregate limit has been paid or reserved, the CITY may require additional coverage to be purchased by the BORROWER to restore the required limits. The BORROWER shall also notify the CITY's Project Manager promptly of all losses or claims over \$25,000 resulting from work performed under this contract, or any loss or claim against the BORROWER'S work.

d. All insurance companies affording coverage to the BORROWER for the purposes of this Section shall be required to add the City of Oceanside as "additional insured" under the designated insurance policy for all work performed in accordance with this Agreement. Insurance coverage provided to the CITY of as additional insured shall be primary insurance and other insurance maintained by the City of Oceanside, its officers, agents and

employees shall be excess only and not contributing with insurance provided pursuant to this Section.

e. All insurance companies affording coverage to the BORROWER shall be insurance organizations authorized by the Insurance Commissioner of the State Department of Insurance to transact business of insurance in the State or be rated as A-VI or higher by A.M. Best Company, Inc.

f. BORROWER shall provide evidence of compliance with the insurance requirements listed above by providing a Certificate of Insurance and applicable endorsements, in a form satisfactory to the City Attorney, concurrently with the submittal of this Agreement.

g. BORROWER shall provide substitute certificate of insurance no later than thirty (30) days prior to the policy expiration date. Failure by the BORROWER to provide such substitution and extend the policy expiration date shall be considered a default by BORROWER and may subject each BORROWER to a suspension or termination of work under the Agreement.

h. All insurance companies affording coverage shall provide thirty (30) days written notice to the City of Oceanside should the policy be canceled before the expiration date. For the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.

i. Maintenance of insurance by the BORROWER as specified in this Agreement shall in no way be interpreted as relieving the BORROWER of any responsibility whatsoever, and the BORROWER may carry, at its own expense, such additional insurance as it deems necessary.

22. BORROWER'S Indemnification of CITY BORROWER shall indemnify and hold harmless the CITY and its officers, agents, and employees against all claims for damages to persons or property arising out of the conduct of the BORROWER or its employees, agents, subcontractors, or others in connection with the execution of the work covered by this Agreement, except only for those claims arising from the sole negligence or sole willful conduct of the CITY, its officers, agents, or employees.

BORROWER'S indemnification shall include any and all costs, expenses, attorneys' fees and liability incurred by the CITY, its officers, agents, or employees in defending against such claims, whether the same proceed to judgment or not. Further, BORROWER at its own expense shall, upon written request by the CITY, defend any such suit or action brought against the CITY, its officers, agents, or employees.

BORROWER's indemnification of the CITY shall not be limited by any prior or subsequent declaration by the BORROWER.

23. Assignment and Delegation This Agreement and any portion thereof shall not be assigned or transferred, nor shall any of the BORROWER'S duties be delegated, without the express written consent of the CITY. Any attempt to assign or delegate this Agreement without the express written consent of the CITY shall be void and of no force or effect. Consent by the CITY to one assignment shall not be deemed to be consent to any subsequent assignment. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

B. CITY OBLIGATIONS

1. The Loan CITY hereby agrees to grant a Loan to BORROWER and BORROWER hereby agrees to borrow from the CITY the sum of One Hundred Thousand dollars (\$100,000) for acquisition of a winter homeless shelter facility.

2. The Note The Loan shall be evidenced by a promissory note of even date herewith, signed by the BORROWER (the "Note"), payable to the order of the CITY. The Note and the books of Lender shall constitute sufficient evidence of the indebtedness of BORROWER to CITY.

3. Repayment Schedule The Loan shall be repayable according to the terms of the Note executed in connection herewith. No payments shall be required so long as BORROWER is in compliance with terms and conditions of the Loan Agreement.

4. Loan Forgiveness The Loan principal and interest shall be forgiven in its entirety after ten years dating from disbursement of funds to BORROWER so long as the following conditions are met by BORROWER:

a. BORROWER shall use the Loan funds only for purposes that address one of the three National Objectives detailed in the Act and in CFR 570.200(a)(2) and 570.208(a).

b. BORROWER shall submit an annual report to CITY during the life of the loan to demonstrate that the loan funds have been used only for purposes that address one of the three National Objectives.

5. Relationship of the Parties BORROWER and CITY intend and agree that the relationship created under this Agreement shall be solely that of debtor and creditor. Nothing contained in this Agreement shall ever be construed as creating a joint venture, partnership, tenancy-in-common, joint tenancy, or co-ownership relationship between BORROWER and CITY. CITY shall never be deemed to have acquired any equity or ownership interest in the assets of BORROWER by virtue of any provision contained in this Agreement.

6. Payment of Funds Disbursement of loan funds shall be made to BORROWER through the submission of periodic invoices, in a form prescribed by CITY, detailing such expenses incurred by BORROWER for the purposes set forth in this Agreement. CITY shall pay such invoices within thirty (30) days after receipt thereof, provided CITY is satisfied that such expenses have been incurred within the scope of this Agreement and that BORROWER is in compliance with the terms and conditions of this Agreement. Direct construction costs shall be deemed to have been incurred based upon the following: when the labor has been performed or the materials have been delivered on site and incorporated into the project; the payment has been requested by the contractor or supplier thereof; and such contractor or supplier is entitled to payment.

7. Audit of Account CITY shall include an audit of the account maintained by BORROWER pursuant to Section A.8. of this Agreement in CITY's annual audit of all CDBG funds pursuant to federal regulations found in Title 24 of the Code of Federal Regulations and other applicable federal laws and regulations.

C. MISCELLANEOUS PROVISIONS:

1. Termination of Agreement. CITY or BORROWER may terminate this Agreement by giving written notice to the other party thirty (30) days prior to effective date of termination. Additionally, the CITY shall have the right, in accordance with 24 CFR 85.43, to terminate this Agreement immediately or withhold payment of any invoice for failure of the BORROWER to comply with the terms and conditions of this Agreement. Should the CITY decide to terminate this Agreement after a full evaluation of all circumstances has been completed, the BORROWER shall, upon written request, have the right to an appeal process. A copy of the appeal process will be attached to any termination notice. If the CITY finds that the BORROWER has violated the terms and conditions of this Agreement, the BORROWER may be required to:

a. immediately repay all monies received from the CITY under this Agreement (plus interest at three percent [3%] per annum); and/or

b. transfer possession of all materials and equipment purchased with LOAN to the CITY.

In the case of early termination, a final payment may be made to the BORROWER upon receipt of a Final Report and invoices covering eligible costs incurred prior to termination. The total of all payments, including the final payment, shall not exceed the amount specified in this Agreement.

2. Notices All notices, demands, requests, consents, or other communications which this Agreement contemplates or authorizes, or

requires or permits either party to give to the other, shall be in writing and shall be personally delivered or mailed to the respective party as follows:

TO CITY:  
City of Oceanside  
Neighborhood Services Department  
Attn: CDBG Manager  
300 North Coast Highway  
Oceanside, CA 92054

TO BORROWER:  
Operation HOPE - Vista  
Winter Homeless Shelter  
Attn: Russell Blackwood  
P.O. Box 3273  
Vista CA 92085

Either party may change its address by notice to the other party as provided herein. Communications shall be deemed to have been given and received on the first to occur of (a) actual receipt at the offices of the party to whom the communication is to be sent, as designated above, or (b) three working days following the deposit in the United States Mail of registered or certified mail, postage prepaid, return receipt requested, addressed to the offices of the party to whom the communication is to be sent, as designated above.

3. Entire Agreement This Agreement comprises the entire integrated understanding between CITY and BORROWER concerning work to be performed for this project and supersedes all prior negotiations, representations, or agreements.

4. Interpretation of the Agreement The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to CITY. BORROWER shall be responsible for complying with all local, State, and federal laws whether or not said laws are expressly stated or referred to herein. Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions which are otherwise lawful shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

5. Agreement Modification This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.

6. Dispute Resolution Any controversy or claim arising out of or relating to this agreement, or concerning the breach or interpretation thereof, shall be settled first by submission of the matter to mediation the cost of which shall be borne equally by the parties.

7. Signatures. The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the BORROWER and the CITY.

IN WITNESS WHEREOF the parties hereto for themselves, their executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Agreement to be executed by setting hereunto their signatures this \_\_\_\_ day of \_\_\_\_\_, 2012.

Operation HOPE - Vista  
BORROWER

By *Russell Blackwood*  
Signature

*Russell Blackwood, Director*  
Print Name/Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name/Title

**(Notary acknowledgments of BORROWER must be attached.)**

\_\_\_\_\_  
Federal Employer I.D. Number

CITY OF OCEANSIDE

By \_\_\_\_\_  
Peter A. Weiss, City Manager

*Robert J. Miller, ASST.*

Approved as to form: City Attorney

Attached hereto are Exhibits "A", "B", "C", "D", "E", "F" and "F-1" and are incorporated herein by reference.

Exhibit A - Scope of Work

Exhibit B - Project Budget

Exhibit C - Certification Regarding Lobbying

Exhibit D - Certification Regarding Debarment and Suspension

Exhibit E - Authorization to execute contracts

Required Attachments:

Certificate of Insurance: General Liability, **naming City of Oceanside as Additional Insured** with endorsements pursuant to Section 21(d) of this Agreement

Certificate of Insurance: Automobile, **naming City of Oceanside as Additional Insured** with endorsements pursuant to Section 21(d) of this Agreement (or letter stating that no vehicles are utilized in the operation of the program or activity)

Certificate of Insurance: Worker's Compensation

**EXHIBIT A**

**CDBG PROJECT SCOPE OF WORK**

CONTRACT PERIOD: August 1, 2012 to June 30, 2014

**BORROWER NAME AND ADDRESS:**

Operation HOPE - Vista  
PO Box 3273  
Vista CA 92085

PROJECT NAME: Winter Shelter Facility Acquisition

PROJECT ADDRESS: 123 West Orange Street, Vista CA

PROJECT MANAGER: Russell Blackwood

GOAL: Acquire and renovate a facility for use as a winter shelter for homeless families and homeless single women including housing and supportive services, educational programs, resource information and case management to help move from homelessness to independent, self-sufficient living.

**STRATEGIES**

1. Acquire properties located at 859 and 857 East Vista Way
2. Complete planning and permitting for construction including Section 504 (ADA) requirements per City of Vista codes.
3. Renovate the existing space to provide office and living space, multipurpose room, recreation area and storage space

TARGET POPULATION: Homeless families and homeless single women

NUMBER OF PERSONS/HOUSEHOLD SERVED: Approximately 200 adults and children each shelter season

OUTCOME MEASURE: Enhance a suitable living environment

**PAYMENT REQUEST**

Payments will be made on a regular basis, upon the submittal of a payment request form, as provided:

1. BORROWER shall attach documentation of expenses to the payment request form, including copies of payroll records, invoices, and receipts.
2. The executive officer or director shall sign the payment request form, or shall submit a letter designating another person who is authorized to sign the payment request form.
3. BORROWER may request in writing alternate payment arrangements, including payments made directly to vendor or contractor, or more frequent payments. Approval by CITY of this request is necessary before alternate payment arrangements will be put into effect.

## PERFORMANCE REPORTS

### A. QUARTERLY PERFORMANCE REPORT

BORROWER shall submit quarterly Performance Reports, on a form provided, by the 15th of the month following the end of each quarter while the project is underway. The quarterly reports shall be due on October 15<sup>th</sup>, January 15<sup>th</sup>, and April 15<sup>th</sup>. An annual report shall be due July 30<sup>th</sup> with totals for the program year. The quarterly reports shall include a report on progress toward completion of the project and any difficulties encountered that will hinder timely completion of the project. Quarterly and annual reports shall be submitted until the project is complete.

### B. FINAL PERFORMANCE REPORT

Within 30 days following contract termination or project completion, whichever comes first, BORROWER shall submit a final evaluation report that includes:

1. A brief narrative description of the project and accomplishments during the program year, and analysis of anticipated outcomes and benefits for participants.
2. The cumulative number of unduplicated households or persons will receive new or improved services as a result of the project.
3. A demographic breakdown of the reported households or persons who will benefit by the project, in the following categories: income level (very low, low, moderate), race (white, African-American, Asian/Pacific Islander, Native American and other), whether Hispanic or non-Hispanic, and female-headed households.
4. Other funds and resources that were leveraged with the CDBG funds, volunteer and in-kind resources that were used on the project, and collaboration or support by other organizations or businesses.
5. An inventory of equipment valued at \$500 or more that was purchased, in whole or part, with CDBG funds.

## PROJECT BUDGET

BORROWER shall expend funds in accordance with the Project Budget, Exhibit B, attached. Payment can only be made for purchases made and/or services provided during the contract period shown in the Scope of Work.

**EXHIBIT B**

**CDBG PROJECT BUDGET / SOURCES AND USES 2012-2013**

Organization: Operation HOPE - Vista

Project Name: Shelter Facility Acquisition

1. Sources of funding for CDBG project:

|                                    |                             |
|------------------------------------|-----------------------------|
| a. CDBG funding                    | <u>\$ 100,000</u>           |
| b. Other federal funds (if any)    | <u>                    </u> |
| c. State or local government funds | <u>\$ 250,000</u>           |
| d. Loans taken for the project     | <u>                    </u> |
| e. Donations and contributions     | <u>\$ 250,000</u>           |
| f. In-kind contributions           | <u>                    </u> |
| g. Other: Capital Campaign         | <u>\$ 200,000</u>           |
| h. TOTAL PROJECT FUNDING           | <u>\$ 800,000</u>           |

2. Uses of Oceanside CDBG funds

|                               |                             |
|-------------------------------|-----------------------------|
| a. Personnel salaries         | <u>\$ 0</u>                 |
| b. Personnel benefits         | <u>                    </u> |
| c. Pre-development costs      | <u>                    </u> |
| d. Acquisition of equipment*  | <u>                    </u> |
| e. Acquisition of facility**  | <u>\$ 100,000</u>           |
| f. Rehabilitation of facility | <u>                    </u> |
| g. New Construction           | <u>                    </u> |
| h. Materials and supplies     | <u>                    </u> |
| i. TOTAL CDBG EXPENSES        | <u>\$ 100,000</u>           |

\*Any equipment obtained with CDBG funds must be retained for use in CDBG-eligible activities for five years or for the useful life of the equipment, whichever comes first. An inventory of such equipment and record of disposition shall be maintained by BORROWER for five years.

\*\*Any facility acquired with CDBG funds must be used for CDBG-eligible activities during the entire loan period.

**EXHIBIT C**

**CERTIFICATION REGARDING LOBBYING**

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, 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 the awarding of any federal contract, the making of any renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

2. If any funds other than federal appropriated funds have been paid or will be 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 contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

*Russell Blackwood*

Signature of Authorized Representative  
Operation HOPE - Vista

*7/11/12*

Date

**EXHIBIT D**

**CERTIFICATION REGARDING DEBARMENT AND SUSPENSION**

As a subrecipient of federal funds under this Agreement, SUBRECIPIENT certifies that it, its principals, employees and any sub-grantee:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal Department or agency.
2. Have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction; violation of Federal or State anti-trust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in the paragraph above; and
4. Have not within a three-year period preceding this Agreement had one or more public transactions (Federal, State or local) terminated for cause or default.

*Russell Blackwood*

\_\_\_\_\_  
Signature of Authorized Representative  
Operation HOPE - Vista

*7/11/12*

\_\_\_\_\_  
Date



**City of Oceanside  
300 N Coast Hwy  
Oceanside, CA 92054200 Civic Center Drive  
Vista, CA 92084**

July 11, 2012

RE: Approval for application and the designated authorized official

**Dear Committee Members:**

The Operation HOPE Board of Directors has approved the request for funds and the filing of the 2012 – 2013 CDBG loan application.

The Operation HOPE Board of Directors has selected Russell Blackwood as the authorized official with the ability to execute and enter into any agreement necessary to the CDBG application process with the City of Oceanside.

Thank you for your consideration in this matter. If you have any questions, please contact me at (760) 726-5653.

**Sincerely,**

  
**Jean Cole  
Executive Director**

• 23-



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
7/10/2012

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

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

|   |  |
|---|--|
| <b>PRODUCER</b><br>Michael Ehrenfeld Company<br>2333 State Street, Suite 201<br><br>Carlsbad CA 92008 | <b>CONTACT NAME:</b> Geri Sebastian<br><b>PHONE (AG, Ho, Ext):</b> (760) 730-2939<br><b>FAX (AG, Ho):</b> (760) 730-2936<br><b>E-MAIL ADDRESS:</b> geris@ehrenfeldinsurance.com  |
|   | <b>INSURER(S) AFFORDING COVERAGE</b><br><b>INSURER A:</b> Nonprofits Insurance Alliance<br><b>INSURER B:</b> New York Marine & General Ins C<br><b>INSURER C:</b><br><b>INSURER D:</b><br><b>INSURER E:</b><br><b>INSURER F:</b> |

**COVERAGES**      **CERTIFICATE NUMBER:** CL1192924721      **REVISION NUMBER:**

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

| INSR LTR | TYPE OF INSURANCE   | ADDITIONAL SUBROGATION | POLICY NUMBER       | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS   |
|----------|---|------------------------|---------------------|-------------------------|-------------------------|--|
| A        | GENERAL LIABILITY   | X                      | 2011-18290-NPO      | 10/25/2011              | 10/25/2012              | EACH OCCURRENCE \$ 1,000,000                         |
|          | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY  |                        |                     |                         |                         | DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000 |
|          | <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  |                        |                     |                         |                         | MED EXP (Any one person) \$ 20,000                   |
|          | GEN'L AGGREGATE LIMIT APPLIES PER:<br><input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC |                        |                     |                         |                         | PERSONAL & ADV INJURY \$ 1,000,000                   |
| A        | AUTOMOBILE LIABILITY  |                        |                     |                         |                         | COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000     |
|          | <input type="checkbox"/> ANY AUTO ALL OWNED AUTOS   |                        |                     |                         |                         | BODILY INJURY (Per person) \$                        |
|          | <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS                             |                        |                     |                         |                         | BODILY INJURY (Per accident) \$                      |
|          |   |                        |                     |                         |                         | PROPERTY DAMAGE (Per accident) \$                    |
| A        | <input checked="" type="checkbox"/> UMBRELLA LIAB   |                        | 2011-18290A-UMB-NPO | 10/25/2011              | 10/25/2012              | EACH OCCURRENCE \$ 1,000,000                         |
|          | <input type="checkbox"/> EXCESS LIAB  |                        |                     |                         |                         | AGGREGATE \$ 1,000,000                               |
|          | <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000  |                        |                     |                         |                         |  |
| B        | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY   | N/A                    | WC201200000729      | 01/01/2012              | 01/01/2013              | WC STATUTORY LIMITS OTH-ER                           |
|          | ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)   |                        |                     |                         |                         | E.L. EACH ACCIDENT \$ 1,000,000                      |
|          | If yes, describe under DESCRIPTION OF OPERATIONS below  |                        |                     |                         |                         | E.L. DISEASE - EA EMPLOYEE \$ 1,000,000              |
| A        | Directors & Officers  |                        | 2011-18290-DO-NPO   | 10/25/2011              | 10/25/2012              | Deductible: N/A<br>1,000,000<br>1,000,000            |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
 Certificate Holder is included as Additional Insured with regard to General Liability per form CG2026 0704 attached. \*30 day cancellation notice with 10 day notice in the event of non-payment of premium per IL 0017 1198 attached. Primary Insurance is included per CG0010798 attached.

|   |  |
|---|--|
| <b>CERTIFICATE HOLDER</b><br><br>The City of Oceanside<br>Housing Division<br>Brendan Mangan<br>300 N. Coast Hwy<br>Oceanside, CA 92054 | <b>CANCELLATION</b><br><br>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.<br><br>AUTHORIZED REPRESENTATIVE<br><br>E Georgeson/GHR <i>Elizabeth Georgeson</i> |
|---|--|

**UCC FINANCING STATEMENT**

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

|   |
|---|
| A. NAME & PHONE OF CONTACT AT FILER [optional]<br>Office of the City Clerk (760) 435-3001   |
| B. SEND ACKNOWLEDGMENT TO: (Name and Address)<br><br>Office of the City Clerk<br>City of Oceanside<br>300 North Coast Highway<br>Oceanside CA 92054 |

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

|   |  |                       |                                   |  |  |
|---|--|-----------------------|-----------------------------------|--|--|
| 1a. ORGANIZATION'S NAME<br>Operation HOPE - Vista |  |                       |                                   |  |  |
| OR  |  |                       |                                   |  |  |
| 1b. INDIVIDUAL'S LAST NAME<br>Blackwood           |  | FIRST NAME<br>Russell |                                   | MIDDLE NAME<br>SUFFIX                      |  |
| 1c. MAILING ADDRESS<br>P.O. Box 3273              |  |                       | CITY<br>Vista                     | STATE<br>CA                                | POSTAL CODE<br>92085   |
| 1d. TAX ID #: SSN OR EIN<br>571-21-4940           |  |                       | ADD'L INFO RE ORGANIZATION DEBTOR | 1e. TYPE OF ORGANIZATION<br>Public Charity | 1f. JURISDICTION OF ORGANIZATION<br>Vista, California            |
|   |  |                       |                                   |  | 1g. ORGANIZATIONAL ID #, if any<br><input type="checkbox"/> NONE |

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

|                            |  |                                   |                          |                                  |                                 |
|----------------------------|--|-----------------------------------|--------------------------|----------------------------------|---------------------------------|
| 2a. ORGANIZATION'S NAME    |  |                                   |                          |                                  |                                 |
| OR                         |  |                                   |                          |                                  |                                 |
| 2b. INDIVIDUAL'S LAST NAME |  | FIRST NAME                        |                          | MIDDLE NAME<br>SUFFIX            |                                 |
| 2c. MAILING ADDRESS        |  |                                   | CITY                     | STATE                            | POSTAL CODE<br>COUNTRY          |
| 2d. TAX ID #: SSN OR EIN   |  | ADD'L INFO RE ORGANIZATION DEBTOR | 2e. TYPE OF ORGANIZATION | 2f. JURISDICTION OF ORGANIZATION | 2g. ORGANIZATIONAL ID #, if any |
|                            |  |                                   |                          |                                  | <input type="checkbox"/> NONE   |

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

|  |  |            |                   |                       |                      |
|--|--|------------|-------------------|-----------------------|----------------------|
| 3a. ORGANIZATION'S NAME<br>City of Oceanside   |  |            |                   |                       |                      |
| OR   |  |            |                   |                       |                      |
| 3b. INDIVIDUAL'S LAST NAME                     |  | FIRST NAME |                   | MIDDLE NAME<br>SUFFIX |                      |
| 3c. MAILING ADDRESS<br>300 North Coast Highway |  |            | CITY<br>Oceanside | STATE<br>CA           | POSTAL CODE<br>92054 |

4. This FINANCING STATEMENT covers the following collateral:  
Furnishings and shelter equipment at 123 West Orange Street, Vista CA

|   |  |                     |               |              |          |                |
|---|--|---------------------|---------------|--------------|----------|----------------|
| 5. ALTERNATIVE DESIGNATION (if applicable)  | LESSEE/LESSOR  | CONSIGNEE/CONSIGNOR | BAILEE/BAILOR | SELLER/BUYER | AG. LIEN | NON-UCC FILING |
| 6. [This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable)] | 7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (OPTIONAL FEE) |                     | All Debtors   | Debtor 1     | Debtor 2 |                |
| 8. OPTIONAL FILER REFERENCE DATA  |  |                     |               |              |          |                |

CDBG Forgivable Loan 8/1/2012 - 7/31/2022

## Instructions for National UCC Financing Statement (Form UCC1)

Please type or laser-print this form. Be sure it is completely legible. Read all Instructions, especially Instruction 1; correct Debtor name is crucial. Follow Instructions completely.

Fill in form very carefully; mistakes may have important legal consequences. If you have questions, consult your attorney. Filing office cannot give legal advice. Do not insert anything in the open space in the upper portion of this form; it is reserved for filing office use.

When properly completed, send Filing Office Copy, with required fee, to filing office. If you want an acknowledgment, complete item B and, if filing in a filing office that returns an acknowledgment copy furnished by filer, you may also send Acknowledgment Copy; otherwise detach. If you want to make a search request, complete item 7 (after reading Instruction 7 below) and send Search Report Copy, otherwise detach. Always detach Debtor and Secured Party Copies.

If you need to use attachments, use 8-1/2 X 11 inch sheets and put at the top of each sheet the name of the first Debtor, formatted exactly as it appears in item 1 of this form; you are encouraged to use Addendum (Form UCC1Ad).

A. To assist filing offices that might wish to communicate with filer, filer may provide information in item A. This item is optional.

B. Complete item B if you want an acknowledgment sent to you. If filing in a filing office that returns an acknowledgment copy furnished by filer, present simultaneously with this form a carbon or other copy of this form for use as an acknowledgment copy.

1. **Debtor name:** Enter only one Debtor name in item 1, an organization's name (1a) or an individual's name (1b). Enter Debtor's exact full legal name. Don't abbreviate.
    - 1a. **Organization Debtor.** "Organization" means an entity having a legal identity separate from its owner. A partnership is an organization; a sole proprietorship is not an organization, even if it does business under a trade name. If Debtor is a partnership, enter exact full legal name of partnership; you need not enter names of partners as additional Debtors. If Debtor is a registered organization (e.g., corporation, limited partnership, limited liability company), it is advisable to examine Debtor's current filed charter documents to determine Debtor's correct name, organization type, and jurisdiction of organization.
    - 1b. **Individual Debtor.** "Individual" means a natural person; this includes a sole proprietorship, whether or not operating under a trade name. Don't use prefixes (Mr., Mrs., Ms.). Use suffix box only for titles of lineage (Jr., Sr., III) and not for other suffixes or titles (e.g., M.D.). Use married woman's personal name (Mary Smith, not Mrs. John Smith). Enter individual Debtor's family name (surname) in Last Name box, first given name in First Name box, and all additional given names in Middle Name box.

For both organization and individual Debtors: Don't use Debtor's trade name, DBA, AKA, FKA, Division name, etc. in place of or combined with Debtor's legal name; you may add such other names as additional Debtors if you wish (but this is neither required nor recommended).
  - 1c. An address is always required for the Debtor named in 1a or 1b.
  - 1d. Debtor's taxpayer identification number (tax ID #) — social security number or employer identification number — may be required in some states.
  - 1e, f, g. "Additional information re organization Debtor" is always required. Type of organization and jurisdiction of organization as well as Debtor's exact legal name can be determined from Debtor's current filed charter document. Organizational ID #, if any, is assigned by the agency where the charter document was filed; this is different from tax ID #; this should be entered preceded by the 2-character U.S. Postal identification of state of organization if one of the United States (e.g., CA12345, for a California corporation whose organizational ID # is 12345); if agency does not assign organizational ID #, check box in item 1g indicating "none."
- Note:* If Debtor is a trust or a trustee acting with respect to property held in trust, enter Debtor's name in item 1 and attach Addendum (Form UCC1Ad) and check appropriate box in item 17. If Debtor is a decedent's estate, enter name of deceased individual in item 1b and attach Addendum (Form UCC1Ad) and check appropriate box in item 17. If Debtor is a transmitting utility or this Financing Statement is filed in connection with a Manufactured-Home Transaction or a Public-Finance Transaction as defined in applicable Commercial Code, attach Addendum (Form UCC1Ad) and check appropriate box in item 18.
2. If an additional Debtor is included, complete item 2, determined and formatted per Instruction 1. To include further additional Debtors, or one or more additional Secured Parties, attach either Addendum (Form UCC1Ad) or other additional page(s), using correct name format. Follow Instruction 1 for determining and formatting additional names.
  3. Enter information for Secured Party or Total Assignee, determined and formatted per Instruction 1. If there is more than one Secured Party, see Instruction 2. If there has been a total assignment of the Secured Party's interest prior to filing this form, you may either (1) enter Assignor S/P's name and address in item 3 and file an Amendment (Form UCC3) [see item 5 of that form]; or (2) enter Total Assignee's name and address in item 3 and, if you wish, also attaching Addendum (Form UCC1Ad) giving Assignor S/P's name and address in item 12.
  4. Use item 4 to indicate the collateral covered by this Financing Statement. If space in item 4 is insufficient, put the entire collateral description or continuation of the collateral description on either Addendum (Form UCC1Ad) or other attached additional page(s).
  5. If filer desires (at filer's option) to use titles of lessee and lessor, or consignee and consignor, or seller and buyer (in the case of accounts or chattel paper), or bailee and bailor instead of Debtor and Secured Party, check the appropriate box in item 5. If this is an agricultural lien (as defined in applicable Commercial Code) filing or is otherwise not a UCC security interest filing (e.g., a tax lien, judgment lien, etc.), check the appropriate box in item 5, complete items 1-7 as applicable and attach any other items required under other law.
  6. If this Financing Statement is filed as a fixture filing or if the collateral consists of timber to be cut or as-extracted collateral, complete items 1-5, check the box in item 6, and complete the required information (items 13, 14 and/or 15) on Addendum (Form UCC1Ad).
  7. This item is optional. Check appropriate box in item 7 to request Search Report(s) on all or some of the Debtors named in this Financing Statement. The Report will list all Financing Statements on file against the designated Debtor on the date of the Report, including this Financing Statement. There is an additional fee for each Report. If you have checked a box in item 7, file Search Report Copy together with Filing Officer Copy (and Acknowledgment Copy). Note: Not all states do searches and not all states will honor a search request made via this form; some states require a separate request form.
  8. This item is optional and is for filer's use only. For filer's convenience of reference, filer may enter in item 8 any identifying information (e.g., Secured Party's loan number, law firm file number, Debtor's name or other identification, state in which form is being filed, etc.) that filer may find useful.

## Instructions for National UCC Financing Statement Addendum (Form UCC1Ad)

9. Insert name of first Debtor shown on Financing Statement to which this Addendum is related, exactly as shown in item 1 of Financing Statement.
10. Miscellaneous: Under certain circumstances, additional information not provided on Financing Statement may be required. Also, some states have non-uniform requirements. Use this space to provide such additional information or to comply with such requirements; otherwise, leave blank.
11. If this Addendum adds an additional Debtor, complete item 11 in accordance with Instruction 1 on Financing Statement. To add more than one additional Debtor, either use an additional Addendum form for each additional Debtor or replicate for each additional Debtor the formatting of Financing Statement item 1 on an 8-1/2 X 11 inch sheet (showing at the top of the sheet the name of the first Debtor shown on the Financing Statement), and in either case give complete information for each additional Debtor in accordance with Instruction 1 on Financing Statement. All additional Debtor information, especially the name, must be presented in proper format exactly identical to the format of item 1 of Financing Statement.
12. If this Addendum adds an additional Secured Party, complete item 12 in accordance with Instruction 3 on Financing Statement. In the case of a total assignment of the Secured Party's interest before the filing of this Financing Statement, if filer has given the name and address of the Total Assignee in item 3 of the Financing Statement, filer may give the Assignor S/P's name and address in item 12.
- 13-15. If collateral is timber to be cut or as-extracted collateral, or if this Financing Statement is filed as a fixture filing, check appropriate box in item 13; provide description of real estate in item 14; and, if Debtor is not a record owner of the described real estate, also provide, in item 15, the name and address of a record owner. Also provide collateral description in item 4 of Financing Statement. Also check box 6 on Financing Statement. Description of real estate must be sufficient under the applicable law of the jurisdiction where the real estate is located.
16. Use this space to provide continued description of collateral, if you cannot complete description in item 4 of Financing Statement.
17. If Debtor is a trust or a trustee acting with respect to property held in trust or is a decedent's estate, check the appropriate box.
18. If Debtor is a transmitting utility or if the Financing Statement relates to a Manufactured-Home Transaction or a Public-Finance Transaction as defined in the applicable Commercial Code, check the appropriate box.

PROJECT: OPERATION HOPE SHELTER ACQUISITION

PROMISSORY NOTE SECURED BY UCC1 FILING

\$100,000

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

FOR VALUE RECEIVED, OPERATION HOPE - VISTA, a California nonprofit corporation (Borrower), promises to pay to the CITY OF OCEANSIDE, a California municipal corporation (Lender), ("Lender", said term also refers to any successors or assigns of Lender except as the context may otherwise require), at 300 North Coast Highway, Oceanside, California, 92054, or at such other place(s) as the Lender may from time to time designate in writing, the principal sum of ONE HUNDRED THOUSAND DOLLARS (\$100,000), together with accrued interest on the unpaid principal balance at the rate of three percent (3%) per annum, in the manner hereinafter specified.

This note is made in connection with that certain loan agreement and Uniform Commercial Code Financing Statement (Form UCC1) filing concurrently executed between Borrower and Lender, and is subject to the terms and conditions set forth in said Loan Documents

**1. Terms of the Loan**

**A. Loan Term**

- (1) The term of the loan shall be ten (10) years beginning from the date of the Note.
- (2) This loan shall bear interest on the unpaid principal balance at the rate of three percent (3%) per annum.

**B. Public Benefit Requirements**

- (1) Borrower agrees to use the loan funds for public benefit as set forth in Title I of the Housing and Community Development Act of 1974 (41 USC 5301-5320) as amended (hereinafter "ACT").
- (2) Borrower shall certify that the loan funds meet public benefit requirements of the Act by submitting an annual report to the City during the life of the loan. This report shall demonstrate that the project assisted with the loan funds addresses one of the three National Objectives for Housing and Community Development as set forth in 24 CFR 570.200(a)(1) and 24 CFR 570.208(a).

**C. Repayment of the Loan**

- (1) Subject to the provisions of Section 1.C.(2), any loan payments made hereon shall be made on the first day of each month and shall be applied, first, to the payment of all interest accrued to the date of such payment,

PROJECT: OPERATION HOPE SHELTER ACQUISITION

and then to the payment of late charges, if any, and the balance, if any shall be applied to the payment of principal. All payments made hereon shall be made in lawful money of the United States of America, in funds immediately available to Lender on or before the date on which such payment is due. All payments of principal and interest on the Note shall be made without notice, demand, counterclaim, set off, deduction or defense and without abatement, suspension, deferment. Any payments due on a day which is a Saturday, Sunday or legal holiday in the State of California shall be due on the next regular business day, and such extension of time shall be included in the computation of interest then due.

- (2) NO PAYMENTS SHALL BE DUE ON THIS LOAN AS LONG AS BORROWER IS IN COMPLIANCE WITH ALL TERMS AND CONDITIONS CONTAINED HEREIN, ESPECIALLY WITH REGARD TO THE PUBLIC BENEFIT REQUIREMENTS, AND THE TERMS AND CONDITIONS OF THE OTHER LOAN DOCUMENTS. IF BORROWER HAS REMAINED IN COMPLIANCE WITH ALL OF THE TERMS AND CONDITIONS OF THE LOAN DOCUMENTS THROUGHOUT THE TERM OF THIS NOTE, THE LOAN SHALL BE CONSIDERED PAID IN FULL AT THE COMPLETION OF THE LOAN TERM.
- (3) Should Borrower fail to meet the public benefit requirements, or fail to submit the proper verification documentation within the prescribed period of time, Lender may, at its option, in addition to any other remedies, increase the interest rate retroactive to the interest accrual date, to a market rate of ten percent (10%).

Initial Here: \_\_\_\_\_

RS

- (4) It is the intent of Borrower and Lender in the execution of this Note and all other Loan Documents to contract in strict compliance with usury laws, if any, applicable to and governing the indebtedness evidenced hereby. In furtherance of such intent and agreement, Borrower and Lender stipulate and agree that none of the terms and provisions contained in the Loan Documents shall ever be construed to create a contract for the use, forbearance or detention of money requiring payment of interest at a rate in excess of the maximum interest rate permitted to be charged by law; and that Borrower and/or any guarantor, endorser or other party now or hereafter becoming liable for the payment of such indebtedness shall never be required to pay interest thereon at a rate in excess of the maximum interest that may be lawfully charged under such laws. If Lender shall collect monies that are deemed to constitute interest, which would otherwise increase the effective interest rate on such indebtedness to a rate in excess of that permitted to be charged by such laws, then such sums deemed to constitute interest in excess of the maximum legal rate shall, at

PROJECT: OPERATION HOPE SHELTER ACQUISITION

the option of the Lender, be credited to the payment of sums owned hereunder or returned to Borrower. The provisions of this section shall control over all other provisions of this Note and any other instrument executed in connection herewith that may be in apparent conflict.

**2. Collateral**

This promissory note is secured by a Uniform Commercial Code Financing Statement filing on the computers, office equipment and furnishings located inside the offices of Borrower at 123 West Orange Street, Vista, California and such other assets as are held by the organization.

**3. Warranties, Representations and Covenants of Maker**

The Loan Agreement, this Note, UCC1 filing, any security agreement, guaranty, subordination, release, or other agreement (including any amendment, modification or extension thereof) now or hereafter relating to, or securing this Note are collectively referred to herein as the "Loan Documents." The Loan Documents shall also include any document to be executed in the future with Lender's consent that identifies itself in writing as a Loan Document in connection with the Loan Agreement. The Borrower will pay all expenses, including reasonable fees and expenses of legal counsel for the Lender, incurred in connection with the preparation, administration, amendment, modification or enforcement of the Loan Documents and the collection or attempted collection of the Note.

**4. Default**

The occurrence of any of the following shall be deemed to be an event of default ("Event of Default") hereunder;

- (a) Failure to demonstrate that the project assisted with loan funds meets public benefit requirements as set forth in Section 1.B., above ;
- (b) Failure to pay principal, interest, or any other sum when due;
- (c) Failure to perform any of the covenants or agreements contained in any of the Loan Documents;
- (d) The occurrence of a breach or default under any obligation secured by any deed of trust on the Property, regardless of lien priority;
- (e) The failure of Borrower to notify Lender in writing immediately after damage or loss to the real property or equipment by reason of fire or other casualty, and prior to the making of any repairs thereto, or Borrower's refusal to permit Lender to inspect, within ten (10) days after written notice from Borrower, such damage or loss prior to the making of any repairs thereto;
- (f) Dissolution or termination of existence of Borrower;

PROJECT: OPERATION HOPE SHELTER ACQUISITION

- (g) The discovery that any of the Borrower's representations or warranties contained in this Note, the Loan Agreement, or in any other Loan Documents executed in connection herewith, is false or misleading in any material respect at the time made;
- (h) Borrower's voluntary suspension of the transaction of business for more than 30 consecutive days in any calendar year; or
- (i) Failure to submit any report referred to in the Loan Documents within 30 days of the scheduled due date for said report.

Upon the occurrence of an Event of Default hereunder, Lender shall have the option:

- (a) To declare the entire balance of principal, together with all accrued interest thereon, immediately due and payable; to demand payment thereof; and to exercise any and all rights and remedies then available to the Lender under the Loan Agreement or any other of the Loan Documents, under applicable law, or any or all of them; or,
- (b) To declare a prorated portion of the principal immediately due and payable. In this case, the principal shall be prorated by ten percent per year for each full year of operation between the date of Execution and the Maturity Date. (For example, if the Event of Default occurs 5 ½ years into the term, then the principal will be prorated by 5 years multiplied by 10%, or 50%).

No delay or omission on the part of the Lender in exercising any right under this Note or under any of the Loan Documents shall operate as a waiver of such right or of any other right or remedy, at that time or at any subsequent time. It is also expressly understood and agreed that the acceptance by Lender of any payment which is less than the total of all amounts due and payable at the time of such payment will not constitute a waiver by Lender of the right to exercise any of Lender's remedies or options at that time or any subsequent time, or nullify any prior exercise of any such remedy or option, without the express consent of Lender, except as and to the extent otherwise provided by law.

Borrower hereby waives diligence, presentment, protest, demand, notice of protest, dishonor and nonpayment of the Note, and expressly agrees that, without in any way affecting the liability of Borrower hereunder, Lender may extend the time for payment of any installment due hereunder, accept additional security, release any party liable hereunder and release any security now or hereafter securing this Note, with or without notice to Borrower. Borrower further waives, to the full extent permitted by law, the right to plead any and all statutes of limitations as defense to any demand on this Note, or on any of the Loan Documents.

If action is instituted on the Note, the Borrower of this Note promises to pay such sum as the court may fix, including but not limited to attorney fees, court costs, filing fees, etc. If this Note

PROJECT: OPERATION HOPE SHELTER ACQUISITION

is signed by more than one person, the obligation hereunder of each and all parties signing it shall be joint and several.

Borrower: Operation Hope - Vista

By: Russell Blackwood

Russell Blackwood, Director

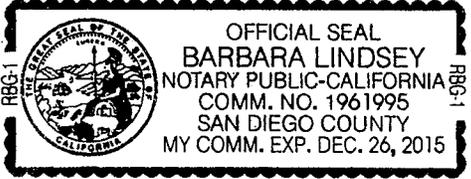
Printed Name and Title

**(All Signatures Must Be Notarized)**

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California }  
 County of SAN DIEGO }  
 On JUL. 11, 2012 before me, BARBARA LINDSEY, Notary Public  
Date Here Insert Name and Title of the Officer  
 personally appeared RUSSELL BLACKWOOD  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that ~~he~~/she/they executed the same in ~~his~~/her/their authorized capacity(ies), and that by ~~his~~/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.  
 Signature: [Handwritten Signature]  
Signature of Notary Public

Place Notary Seal and/or Stamp Above

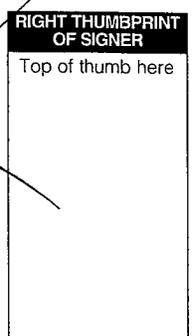
**OPTIONAL**

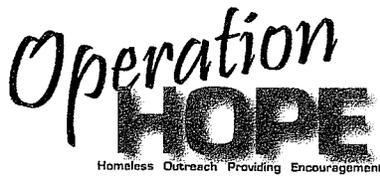
*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: AGREEMENT  
 Document Date: JUL. 11, 2012 Number of Pages: \_\_\_\_\_  
 Signer(s) Other Than Named Above: PETER WEISS, City Manager

**Capacity(ies) Claimed by Signer(s)**

|   |  |  |  |
|---|--|--|--|
| Signer's Name: <u>RUSSELL BLACKWOOD</u><br><input type="checkbox"/> Corporate Officer — Title(s): _____<br><input type="checkbox"/> Individual<br><input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General<br><input type="checkbox"/> Attorney in Fact<br><input type="checkbox"/> Trustee<br><input type="checkbox"/> Guardian or Conservator<br><input checked="" type="checkbox"/> Other: <u>DIRECTOR OF OPS</u><br>Signer Is Representing: <u>OPERATION HOPE</u> | RIGHT THUMBPRINT OF SIGNER<br>Top of thumb here<br> | Signer's Name: _____<br><input type="checkbox"/> Corporate Officer — Title(s): _____<br><input type="checkbox"/> Individual<br><input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General<br><input type="checkbox"/> Attorney in Fact<br><input type="checkbox"/> Trustee<br><input type="checkbox"/> Guardian or Conservator<br><input type="checkbox"/> Other: _____<br>Signer Is Representing: _____ | RIGHT THUMBPRINT OF SIGNER<br>Top of thumb here<br> |
|---|--|--|--|



**City of Oceanside  
300 N Coast Hwy  
Oceanside, CA 92054200 Civic Center Drive  
Vista, CA 92084**

July 11, 2012

RE: Approval for application and the designated authorized official

**Dear Committee Members:**

The Operation HOPE Board of Directors has approved the request for funds and the filing of the 2012 – 2013 CDBG loan application.

The Operation HOPE Board of Directors has selected Russell Blackwood as the authorized official with the ability to execute and enter into any agreement necessary to the CDBG application process with the City of Oceanside.

Thank you for your consideration in this matter. If you have any questions, please contact me at (760) 726-5653.

**Sincerely,**

  
**Jean Cole  
Executive Director**