

**CITY OF CARSON
SCOTTSDALE REVITALIZATION PROJECT**



**MEMORANDUM OF UNDERSTANDING (MOU)
SCOTTSDALE TOWNHOUSES ASSOCIATION (STA)**

City of Carson
Community Development Department
Housing Division
701 East Carson Street
Carson, California 90745

City of Carson Scottsdale Revitalization Project

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding sets forth partnership roles and responsibilities between the City of Carson and the Scottsdale Townhouses Association on September _____, 2016, relating to the Scottsdale Residential Condominium Development revitalization program.

I. DEFINITIONS:

The following terms as used in this Agreement shall have the meanings given unless expressly provided to the contrary:

- A. Adequate security presence means to provide adequate security measures to do all that is reasonably possible to prevent unauthorized access and modification to the buildings undergoing revitalization during the Revitalization Project.
- B. Assisted Units means any housing unit within the Association subject to the revitalization program.
- C. Association means the Scottsdale Townhouses Association.
- D. Affordable shall mean available only to be used by moderate income households, lower income households, or very low income households (see Eligible Persons and Eligible Family, below).
- E. CDBG funds means Community Development Block Grant funds from the United States Department of Housing and Urban Development to be used primarily for rehabilitation of qualifying low and moderate income housing.
- F. City means the City of Carson.
- G. Eligible Building means a building within the Scottsdale Residential Condominium Development that is occupied by no less than 51% Eligible Persons or Eligible Families.
- H. Eligible Person or Eligible Family means a person or family of low or moderate income whose annual household income is below the following limits: (a) Lower Income X 31% to 50% or less of gross median income adjusted for household size; or (b) Moderate Income X 51% to 80% of gross median income adjusted for household size.
- I. Housing Division means the City of Carson's Community Development Department Housing Division.
- J. Revitalization Program or Program means the City of Carson's use of CDBG funds to assist the Association in repairing certain deteriorated roofs and eradicate termites from certain buildings qualifying as low and

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moderate income housing in compliance with HUD standards within Scottsdale using state licensed and properly insured contractors, for the benefit of the Association, Scottsdale as a whole, and the individual unit owners therein. See Exhibit "C."

K. Scottsdale means the Scottsdale Residential Condominium Development.

II. GENERAL PROVISIONS

Scottsdale is a 600-unit complex located on approximately 44 acres in the southern section of the City. Its single entrance is in the 23400 block of Avalon Boulevard. It is bounded on the remaining sides by Sepulveda Boulevard (south), Banning Boulevard (east), and Watson Center Road (north). The two-story townhome-style residential units were constructed in 1963 with the majority of the units designed with three and four bedrooms, and one section with two bedrooms. Over time, the units have developed a degree of disrepair.

City CDBG funds from HUD to be used primarily for rehabilitation of qualifying low and moderate income housing. By using CDBG funds, City seeks to assist the Association in repairing certain deteriorated roofs and eradicate termites from certain buildings qualifying as low and moderate income housing in compliance with HUD standards within the housing complex, using state licensed and properly insured contractors, for the benefit of the Association, Scottsdale as a whole, and the individual unit owners therein. See Scottsdale Rehabilitation Program Fact Sheet, attached hereto as Exhibit "A" and incorporated herein by reference.

The Association has the authority to conduct all business affairs of common interest to all owners, pursuant to Article II(b) of Association's Declaration of Covenants, Conditions, and Restrictions for Scottsdale Townhouses ("CC&Rs"), and the Association has the right and obligation for maintenance of exterior walls of the building housing units and the roofs, pursuant to Article III(a) of the Association's CC&Rs. By acceptance of their deeds, individual unit owners have delegated to the Association the power and authority to maintain exterior walls and roofs for the benefit of all owners, pursuant to Article III(a) of Licensors' CC&Rs.

City and the Association desire to enter into this MOU to establish an irrevocable license for Licensee to enter Scottsdale to repair certain roofs and eradicate termites from certain buildings qualifying as low and moderate income housing within Scottsdale for the benefit of the Association, Scottsdale, and the individual unit owners.

III. SCOTTSDALE TOWNHOUSES ASSOCIATION RESPONSIBILITIES

The Association shall provide up-to-date rent roll information for assisted units to the City for the purpose of maintaining the affordability for 2 years, pursuant to the Grant Acceptance Agreement, attached hereto as Exhibit "A".

The Association shall be responsible for the following:

City of Carson Scottsdale Revitalization Project

- A. Circulation of the MOU for review by its board members, and attorney for execution of this MOU.
- B. Maintain current governing documents including CC&Rs, by-laws, and financial statements.
- C. Promote the revitalization program with the City through flyers, posting, and mailers.
- D. Provide access to the property to City staff, contractors, and inspectors operating on behalf of the City, during and prior to construction, in accordance with the License Agreement, attached hereto as Exhibit "B" and incorporated by reference.
- E. Maintain an adequate security presence throughout the implementation of the revitalization program.
- F. Provide income information to city that Participant (tenant and/or homeowner) is an Eligible Person or Eligible Family. The income information will be in the form of the Scottsdale Multi-Family Home Improvement Project Application Low and Moderate Income Households (Project Application), attached hereto as Exhibit "B" and incorporated herein by reference. Any ownership or tenancy changes in the Eligible Buildings within two years of the date of this MOU must be immediately reported to the City.
- G. Assist City in enforcing terms of the Grant Acceptance Agreements, attached hereto as Exhibit "A" and incorporated herein by reference, by providing the City with the following information:
 - 1. Inform City of current property sales.
 - 2. Create a mechanism for unit owners to report change of tenants to the City.
 - 3. Direct the property manager to assist the City by providing necessary documents and information needed to implement the program.
 - 4. Association has to operate in accordance with the Davis-Stirling Common Interest Development Act, codified as Section 4000 et seq. of the California Civil Code.
 - 5. Maintain common areas and rehabilitated building exteriors in good condition.

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IV. CITY OF CARSON RESPONSIBILITIES

The Housing Division shall administer the Revitalization Program. The administration by the Housing Division shall include any and all activities necessary for Program implementation. The responsibilities of the Housing Division are more specifically detailed as follows:

- A. Determine applicant eligibility to participate in the Program. Only Eligible Persons and Eligible Families may participate in the Program.
 - B. Qualify Eligible Buildings for participation through the physical inspection of the exterior and the presence of Eligible Persons or Eligible Families.
 - C. Record Grant Acceptance Agreements, which are required for City to complete revitalization of Eligible Buildings and/or Assisted Units.
 - D. Implement and administer the bidding and inspection process to select a contractor(s) to perform the work. Identify the lowest responsible bidder. Prepare all documentation for execution of contract documents.
 - E. Provide Program documents and regular status report to HUD to ensure that the project operates in accordance with HUD guidelines.
 - F. Maintain records of assisted owners as required by HUD.
 - G. Ensure that all contractors and subcontractors procure and maintain at a minimum, at their sole cost and expense, and in a form satisfactory to the Housing Division, the following insurance.
 - Workers' Compensation/Employers Liability Endorsement
 - General Liability Endorsement
 - Automobile Liability Endorsement
1. Disputes. In the event of any dispute arising out of this MOU or from the breach thereof, the injured party shall notify the injuring party in writing of its contentions. The injured party shall continue to perform its obligations under this MOU so long as the injuring party commences to cure such dispute within 7 days of service of such notice and completes the cure of such dispute within 14 days after the service of such notice, or a longer period as may be permitted by the injured party. Compliance with the provisions of this term shall be a condition precedent to any legal action under this MOU and such compliance shall not be a waiver of a party's right to legal action in the event the dispute is not cured.
 2. Default by Association. In the event that the Association is in default under the terms of this MOU, and does not cure the default, the City shall not have any obligation or duty to continue work pursuant to the

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Revitalization Program after the deadline to cure the default has passed. If Consultant does not cure the default, the City terminate this MOU with 30 days notice to the Association. Any failure on the part of the City to give notice of the Association's default or termination shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this MOU. Association will be liable for any costs, including penalties and attorney fees, incurred by the City as a result of the default.

V. INSURANCE

Association will maintain insurance as provided in Section 8, Insurance, of the License Agreement, attached hereto as Exhibit "C" and incorporated by reference.

VI. INDEMNITY

The Association agrees to defend, indemnify, and hold City, City's agents, permittees, employees, and contractors free and harmless from and against any and all losses, damages (whether general, punitive or otherwise), liabilities, claims (including but not limited to mechanic's lien claims), causes of action (whether legal, equitable or administrative, including but not limited to inverse condemnation actions or actions for a taking of property without due process of law), judgments, court costs and legal or other expenses (including reasonable attorneys' fees and costs), whether actual or threatened, that may be asserted or claimed by any person, firm, or entity arising from any act or omission by City in its exercise of the license granted herein, including for claims or liabilities occurring as a result of City's sole negligence or willful misconduct. This indemnity obligation shall be binding on successors and assigns of the Association and shall survive termination of this MOU.

VII. WAIVER OF LIABILITY.

The Association agrees that it shall not make any claim against, or seek to recover from City or its agents, servants, employees, or contractors, for any loss or damage to the Association, its agents, employees, contractors, or invitees, or any property of the Association, its agents, employees, contractors, or invitees relating to this MOU, which include but is not limited to, a claim or liability arising from the sole negligence or willful misconduct of the City, its officers, agents, employees, or contractors who are directly responsible for City. This waiver of liability shall be binding on successors and assigns of the Association and shall survive termination of this MOU.

VIII. ASSIGNMENT.

Association may not assign this MOU or any of its rights or obligations to any third party or entity without the prior written consent of City, which may be withheld in its sole and absolute discretion. Furthermore, this MOU may not be involuntarily assigned or assigned by operation of law.

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IX. NOTICES.

Any notices, demands or communications under this MOU between the parties shall be in writing, and may be given either by (i) personal service, (ii) overnight delivery, or (iii) mailing via United States mail, certified mail, postage prepaid, return receipt requested ("US Mail"), addressed to each party as set forth on the signature page of this MOU or such other address as may be furnished in writing by a party, and such notice or communication shall, if properly addressed, be deemed to have been given as of the date so delivered, or three (3) business days after deposit into U.S. Mail.

X. SEVERABILITY.

If any term of this MOU is held by a court of competent jurisdiction to be invalid or unenforceable, then this MOU, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.

XI. GOVERNING LAW.

This MOU shall be construed and enforced in accordance with the laws of the State of California. If any legal action is necessary to enforce the terms and conditions of this MOU, the parties agree that a court of competent jurisdiction in Los Angeles County shall be the sole venue and jurisdiction for the bringing of such action.

XII. LEGAL FEES AND COSTS.

In the event of any litigation or other legal proceeding including, but not limited to, arbitration, or mediation between the parties arising out of this MOU, including but not limited to actions to enforce this MOU, the prevailing party will be entitled to recover, in addition to any other relief awarded or granted, its reasonable costs and expenses, including attorneys' fees, incurred in the proceeding.

XIII. FINAL MOU.

This MOU, and Exhibits "A" through "C" incorporated by reference, terminates and supersedes all prior understandings or MOUs on the subject matter hereof. This MOU supersedes all prior MOUs and understandings between the parties with respect to such subject matter.

XIV. CONSTRUCTION.

In determining the meaning of, or resolving any ambiguity with respect to, any word, phrase or provision of this MOU, no uncertainty or ambiguity shall be construed or resolved against a party under any rule of construction, including the party primarily responsible for the drafting and preparation of this MOU. Headings used in this MOU are provided for convenience only and shall not be used to construe meaning or intent.

XV. AUTHORITY.

Each individual executing this MOU on behalf of Association represents, warrants and covenants to City that (a) such person is duly authorized to execute and deliver this MOU on behalf of such entity in accordance with authority granted under the organizational documents of such entity, and (b) such entity is bound under the terms of this MOU.

XVI. MODIFICATIONS IN WRITING.

Any modification or amendment of any provision of this MOU must be in writing and bear the signature of the duly authorized representatives of both parties.

XVII. NO WAIVER.

The failure of either party to enforce any term, covenant, or condition of this MOU on the date it is to be performed shall not be construed as a waiver of that party's right to enforce this, or any other term, covenant, or condition of this MOU at any later date or as a waiver of any term, covenant, or condition of this MOU.

XVIII. COUNTERPARTS.

This MOU may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall be deemed one and the same instrument, and a facsimile copy of such execution shall be deemed an original.

[SIGNATURES ON NEXT PAGE]

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IN WITNESS WHEREOF, the Scottsdale Townhouses Association and the City of Carson have caused this MOU to be executed by their duly authorized representatives.

For the SCOTTSDALE TOWNHOUSES ASSOCIATION:

By: _____
Name of Authorized Representative and Title

Authorized Signature

Date

For the CITY OF CARSON:

By: _____
Name of Authorized Representative and Title

Authorized Signature

Date

LIST OF EXHIBITS

EXHIBIT A GRANT ACCEPTANCE AGREEMENT

EXHIBIT B SCOTTSDALE MULTI-FAMILY HOME
IMPROVEMENT PROJECT APPLICATION LOW
AND MODERATE INCOME HOUSEHOLDS

EXHIBIT C LICENSE AGREEMENT

Recording Requested by
And when Recorded Mail to:

City of Carson
Community Development Department
701 East Carson Street
Carson, CA 90745
Attn: Scottsdale Revitalization Program

Title Order No. FCPF-

APN:

Space Above For Recorder's Use
Exempt from Recording fees Per Gov't Code §6103

GRANT ACCEPTANCE AGREEMENT

THIS AGREEMENT is entered into this ____ day of _____, 2016 by and between the CITY OF CARSON, a municipal corporation (hereinafter referred to as "CITY") and _____ (hereinafter referred to as "GRANTEE"). This agreement shall be referred to as the Grant Acceptance Agreement.

WITNESSETH:

The parties do agree as follows:

SECTION I. GENERAL TERMS

- A. Grantee is owner of the property located at _____, Unit _____, City of Carson, APN No. _____.
- B. By entering into this Grant Acceptance Agreement, Grantee acknowledges that City has entered into a Memorandum of Understanding ("MOU") and a License to Enter Agreement ("License") with the Scottsdale Townhouse Association ("STA") for City to utilize federal Community Development Block Grant Funds to assist the Scottsdale Residential Condominium Development ("Scottsdale") in repairing certain deteriorated roofs and eradicate termites from certain buildings qualifying as low and moderate income housing in compliance with the U.S. Department of Housing and Urban Development's standards within Scottsdale, using state licensed and properly insured contractors, for the benefit of STA, Scottsdale as a whole, and the individual unit owners therein (the "Revitalization Project").
- C. By entering into this Grant Acceptance Agreement, Grantee agrees to fully cooperate with the City, contractors, inspectors, and others who have an official capacity in the rehabilitation of the Property, including, but not limited to, allowing entry onto the Property upon reasonable notice by the City or City's contractor(s).

- D. Grantee shall at all times indemnify and hold harmless City and all of its respective officers, employees, agents and representatives, from and against all claims, suits, damages, fees, losses and expenses, including, but not limited to fines, penalties, litigation costs, and attorneys' fees arising out of or connected with any and all work performed by contractor(s) under any agreement executed pursuant to the Revitalization Project.
- E. Grantee agrees that it shall not make any claim against, or seek to recover from City or its agents, servants, employees, or contractors, for any loss or damage to Grantee, its agents, employees, contractors, or invitees, or any property of Grantee, its agents, employees, contractors, or invitees relating to this Agreement, which include but is not limited to, a claim or liability arising from the sole negligence or willful misconduct of the City, its officers, agents, employees, or contractors who are directly responsible for City. This waiver of liability shall be binding on successors and assigns of Grantee and shall survive termination of this Agreement.
- F. Without the written consent of City, the Grant Acceptance Agreement is not assignable or transferable by Grantee either in whole or in part.
- G. Time is of the essence in this Agreement.
- H. No alteration or variation of the terms of the Grant Acceptance Agreement shall be valid unless made in writing, and signed by the parties hereto, and no oral understanding or agreement not incorporated in writing herein shall be binding on any of the parties hereto.
- I. Grantee agrees that occupancy of the Property shall be restricted to Eligible Persons or Eligible Families for a period of no less than two years from the date of the MOU. Eligible Person or Eligible Family means a person or family of low or moderate income whose annual household income is below the following limits: (a) Lower Income X 31% to 50% or less of gross median income adjusted for household size; or (b) Moderate Income X 51% to 80% of gross median income adjusted for household size. In the event that this provision is violated, Grantee shall reimburse the City for the prorated value of the Revitalization Project as it relates to the Property. The City may collect the pro-rated valued of the Revitalization Property against the Property pursuant to any legal or equitable remedies available.
- J. In the performance of the Grant Acceptance Agreement, Grantee agrees not to discriminate against any Contractor or potential Contractor, because of race, color, religion, ancestry, sex, age, national origin, physical handicap, or on any other arbitrary basis, and shall permit access to records, bids, application forms, and other pertinent data and records by an appropriate agency of the Federal Government or City, for the purposes of ascertaining compliance with this section.
- K. Grantee agrees to keep homeowner's insurance in effect at all times in such amounts and coverages that may be reasonably required by City.

- L. If the Property is located in a flood plain, as designated by the Federal Insurance Administration, the Grantee agrees to keep flood insurance in effect at all times.
- M. Grantee shall promptly comply with all requirements or conditions of the Grant Acceptance Agreement, relating to notices, extensions, and other events required to be reported or requested.
- N. Subject to Section I.B., above, the Grant Acceptance Agreement constitutes the entire understanding between Grantee and City regarding the Revitalization Project.
- O. The terms of this Grant Acceptance Agreement will not be construed to be in conflict with the terms of the MOU or License.
- P. If any term of this Grant Acceptance Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then this Grant Acceptance Agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.

SECTION II. TERM

- A. The effective date of this Grant Acceptance Agreement is the date on which it is fully executed.
- B. Grantee understands the rehabilitation of all buildings is to be completed within 3 years of the date of the MOU and License for the entire Revitalization Project.
- C. Grantee further understands that during the 3 years provided for the completion of the entire Revitalization Project, as stated in Section II.B. above, the rehabilitation of each individual building will take 60 to 90 days to be completed.

SECTION III. PROGRAM MANAGEMENT

The Director of Community Development or his/her designee, will oversee the management of the STA Revitalization Project. The Director of Community Development may be contacted by calling the City of Carson Department of Community Development at (310) 830-7600.

City of Carson
Community Development Department
701 East Carson Street
Carson, CA 90745

SECTION IV. MISCELLANEOUS

Grantee warrants that he or she has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Grant Acceptance Agreement from City.

GRANTEE,

DATE

JOHN RAYMOND,
DIRECTOR OF COMMUNITY DEVELOPMENT

DATE



CITY OF CARSON COMMUNITY DEVELOPMENT DEPARTMENT

SCOTTSDALE MULTI-FAMILY HOME IMPROVEMENT PROJECT APPLICATION

LOW AND MODERATE INCOME HOUSEHOLDS –(Please see income guidelines Table “A” attached)

☐ Owner- occupied

☐ Tenant-occupied

INSTRUCTIONS: PLEASE READ CAREFULLY. Please print in black or blue ink only. Please complete all entries. Where items are non-applicable, please enter “none” or “n/a.” Where insufficient space is supplied, attach additional sheets as necessary. Incomplete applications will not be accepted. No application will be accepted via email or fax.

Address of the Property to be Repaired	Mailing Address:
City, State and Zip	Repairs to be completed through this project Roofing and Termite Control

APPLICANT		CO-APPLICANT	
Name		Name	
Date of Birth	Gender	Date of Birth	Gender
Marital Status ☐ Married ☐ Single ☐ Separated/Divorced	Number of Dependents	Marital Status ☐ Married ☐ Single ☐ Separated/Divorced	Number of Dependents
Day Telephone No.	Best Contact Telephone No.	Day Telephone No.	Best Contact Telephone No.
Email Address		Email Address	

Please enter the requested information for all property residents 18 years old and older, and list additional persons information on a separate sheet (attach additional sheets to the back of this form). Please provide documentation for each source of income you list below.

Applicant Name	Age/Sex	Employed? ☐ Yes ☐ No	Gross Income	Social Security Number
Co-Applicant Name/Relationship	Age/Sex	Employed? ☐ Yes ☐ No	Gross Income	Social Security Number
Name/Relationship	Age/Sex	Employed? ☐ Yes ☐ No	Gross Income	Social Security Number
Name/Relationship	Age/Sex	Employed? ☐ Yes ☐ No	Gross Income	Social Security Number
Name/Relationship	Age/Sex	Employed? ☐ Yes ☐ No	Gross Income	Social Security Number
Name/Relationship	Age/Sex	Employed? ☐ Yes ☐ No	Gross Income	Social Security Number

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PLEASE PROVIDE INCOME DOCUMENTATION FOR ALL INCOME SOURCES LISTED BELOW

Enter Household Size: _____ persons <u>FOR FEDERAL REPORTING ONLY: DISABLED – NO NAMES: (CIRCLE) YES NO</u>				

PLEASE PROVIDE INCOME DOCUMENTATION FOR ALL INCOME SOURCES LISTED BELOW

Mortgage Information – Please attach documentation for each mortgage, lien, or insurance you list below.

Please provide a Grant Deed for proof of ownership and vesting purposes.

First Mortgage Yes No	If Yes What Type?	Type:	Loan Amount \$ _____
Second Mortgage Yes No	If Yes What Type?	Type:	Loan Amount \$ _____
Do you have other mortgages or liens?	If Yes, please specify	Specify:	Loan Amount \$ _____
Do you have fire insurance?	If Yes, please Specify	Specify:	Coverage Amount \$ _____

Ethnicity/Head of Household (For Statistical Purposes Only) - Demographic information will be held strictly confidential, and is not considered as a factor in the review of your grant application. However, in accordance with Department of Housing and Urban Development (HUD) requirements, this information must be collected for your participation in this program. Please complete the following:

HEAD OF HOUSEHOLD
Female Head of Household ☐ Yes ☐ No
RACIAL BACKGROUND (PLEASE CHECK ALL THAT APPLY)
CATEGORIES
☐ American Indian/Alaska Native ☐ Asian ☐ Black/African American ☐ Native Hawaiian/Other Pacific Islander ☐ White ☐ Other – For individuals that do not identify with any of the above
ETHNIC BACKGROUND
☐ Not Hispanic/Latino ☐ Hispanic/Latino Ethnicity ☐ Mexican-American ☐ Puerto Rican ☐ Cuban ☐ Other Hispanic/Latino _____

PLEASE PROVIDE INCOME DOCUMENTATION FOR ALL INCOME SOURCES LISTED BELOW

I DECLARE UNDER PENALTY OF PERJURY THAT THE STATEMENTS MADE ON THIS APPLICATION IS TRUE AND CORRECT. Any person under penalty who willfully states as true and material matter which he or she knows to be false is guilty of perjury, Perjury is punishable by imprisonment in the state for two, three, or four years, (Penal Code: Sections 118, 126)

Head of Household Signature: _____ Date: _____

Owner _____ Co-owner _____ Date: _____

TABLE "A"
LOS ANGELES COUNTY INCOME LIMITS FOR
CDBG-FUNDED PROJECTS
PROGRAM YEAR 2016

Household Size	Extremely Low Income (Equal to or less than 30% of Area Median)	Low (31% to 50% of Area Median)	Moderate (51% to 80% of Area Median)
1	\$18,250	\$30,500	\$48,650
2	\$20,850	\$34,750	\$55,600
3	\$23,450	\$39,100	\$62,550
4	\$26,050	\$43,400	\$69,450
5	\$28,440	\$46,900	\$75,050
6	\$32,580	\$50,350	\$80,600
7	\$36,750	\$53,850	\$86,150
8	\$40,890	\$57,300	\$91,700

IRREVOCABLE LICENSE TO ENTER AGREEMENT

THIS IRREVOCABLE LICENSE TO ENTER AGREEMENT (the "Agreement"), dated as of _____, 2016 is entered into by and between the CITY OF CARSON, a California municipal corporation ("Licensee"), and SCOTTSDALE TOWNHOUSE ASSOCIATION ("Licensor").

RECITALS

WHEREAS, the Scottsdale Residential Condominium Development ("Scottsdale") is a 600-unit complex, constructed in 1963, located on approximately 44 acres in the southern section of the City, along the 23400 block of Avalon Boulevard; and

WHEREAS, Scottsdale units have developed a degree of disrepair since 1963, specifically the deterioration of certain roofs and termite infestation in certain buildings; and

WHEREAS, Licensee received Community Development Block Grant funds ("CDBG funds") from the United States Department of Housing and Urban Development ("HUD") to be used primarily for rehabilitation of qualifying low and moderate income housing; and

WHEREAS, by using CDBG funds, Licensee seeks to assist Licensor in repairing certain deteriorated roofs and eradicate termites from certain buildings qualifying as low and moderate income housing in compliance with HUD standards within Scottsdale, using state licensed and properly insured contractors, for the benefit of Licensor, Scottsdale as a whole, and the individual unit owners therein; and

WHEREAS, Licensor has the authority to conduct all business affairs of common interest to all owners, pursuant to Article II(b) of Licensor's Declaration of Covenants, Conditions, and Restrictions for Scottsdale Townhouses ("CC&Rs"); and

WHEREAS, Licensor has the right and obligation for maintenance of exterior walls of the building housing units and the roofs, pursuant to Article III(a) of Licensor's CC&Rs; and

WHEREAS, by acceptance of their deeds, individual unit owners delegate to Licensor the power and authority to maintain exterior walls and roofs for the benefit of all owners, pursuant to Article III(a) of Licensor's CC&Rs; and

WHEREAS, Licensor and Licensee desire to enter into this Agreement to establish an irrevocable license for Licensee to enter Scottsdale to repair certain roofs and eradicate termites from certain buildings qualifying as low and moderate income housing within Scottsdale for the benefit of Licensor, Scottsdale, and the individual unit owners.

NOW, THEREFORE, for good and valuable consideration, Licensee and Licensors agree as follows:

1. **Grant.** Licensors by this instrument grants Licensee, and to Licensee's agents, permittees, and employees, including Licensee's contractors, the right, privilege, and permission to enter Scottsdale for the purpose to repair certain roofs and eradicate termites from certain buildings qualifying as low and moderate income housing.
2. **Hours of Construction.** Unless other mutually agreed upon arrangements are made, Licensee and its agents, permittees, employees, and contractors shall perform the rehabilitation between 8:00 a.m. and 5:00 p.m., Monday to Friday.
3. **Time of Essence.** Time is of the essence in the performance of this Agreement.
4. **Term.** The license created by this Agreement shall expire by the later of three (3) years from the Effective Date of this Agreement, or upon recordation of the Notice of Completion for the rehabilitation by Licensee.
5. **Indemnification.** Licensors agrees to defend, indemnify, and hold Licensee, Licensee's agents, permittees, employees, and contractors free and harmless from and against any and all losses, damages (whether general, punitive or otherwise), liabilities, claims (including but not limited to mechanic's lien claims), causes of action (whether legal, equitable or administrative, including but not limited to inverse condemnation actions or actions for a taking of property without due process of law), judgments, court costs and legal or other expenses (including reasonable attorneys' fees and costs), whether actual or threatened, that may be asserted or claimed by any person, firm, or entity arising from any act or omission by Licensee in its exercise of the license granted herein, including for claims or liabilities occurring as a result of Licensee's sole negligence or willful misconduct. This indemnity obligation shall be binding on successors and assigns of Licensors and shall survive termination of this Agreement.
6. **Waiver of Liability.** Licensors agrees that it shall not make any claim against, or seek to recover from Licensee or its agents, servants, employees, or contractors, for any loss or damage to Licensors, its agents, employees, contractors, or invitees, or any property of Licensors, its agents, employees, contractors, or invitees relating to this Agreement, which include but is not limited to, a claim or liability arising from the sole negligence or willful misconduct of the Licensee, its officers, agents, employees, or contractors who are directly responsible for Licensee. This waiver of liability shall be binding on successors and assigns of Licensors and shall survive termination of this Agreement.
7. **Default by Licensors.** Licensors shall bear the cost of any denial of entry into Scottsdale by Licensee that results in construction or termite eradication delays, whether the denial of entry is due to Licensors or to any individual Scottsdale homeowner or resident. Such costs shall include, but not be limited to, contractor compensation, attorney fees, and any penalties imposed by HUD or loss of CDBG funds by Licensee due to the delay. Because time is of the essence to ensure efficient use of the CDBG funds, Licensee will notify Licensors of any denial of entry, which Licensors will correct within one (1) business day of being notified.

8. Insurance. Licensor shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to Licensee, during the entire term of this Agreement including any extension thereof:

(a). Commercial General Liability Insurance. A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury, and property damage. The policy of insurance shall be in an amount not less than \$1,000,000.00 per occurrence or if a general aggregate limit is used, then the general aggregate limit shall be twice the occurrence limit.

(b). Automotive Liability Insurance. A policy of comprehensive automobile liability insurance written on a per occurrence basis for bodily injury and property damage in an amount not less than \$1,000,000.00. Said policy shall include coverage for any automobile.

(c). Umbrella Liability. A policy of comprehensive umbrella liability insurance written on a per occurrence basis for additional coverage in an amount not less than \$10,000,000.00 per occurrence.

All of the above policies of insurance shall be primary insurance and shall name Licensee, its elected and appointed officers, employees, and agents as additional insureds and any insurance maintained by Licensee or its officers, employees or agents may apply in excess of, and not contribute with Licensor's insurance. The insurer is deemed to waive all rights of subrogation and contribution it may have against Licensee, its officers, employees, and agents and their respective insurers.

9. Assignment. Licensor may not assign this Agreement or any of its rights or obligations to any third party or entity without the prior written consent of Licensee, which may be withheld in its sole and absolute discretion. Furthermore, this Agreement may not be involuntarily assigned or assigned by operation of law.

10. Notices. Any notices, demands or communications under this Agreement between the parties shall be in writing, and may be given either by (i) personal service, (ii) overnight delivery, or (iii) mailing via United States mail, certified mail, postage prepaid, return receipt requested ("US Mail"), addressed to each party as set forth on the signature page of this Agreement or such other address as may be furnished in writing by a party, and such notice or communication shall, if properly addressed, be deemed to have been given as of the date so delivered, or three (3) business days after deposit into U.S. Mail.

11. Severability. If any term of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then this Agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.

12. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of California. If any legal action is necessary to enforce the terms and

conditions of this Agreement, the parties agree that a court of competent jurisdiction in Los Angeles County shall be the sole venue and jurisdiction for the bringing of such action.

13. Legal Fees and Costs. In the event of any litigation or other legal proceeding including, but not limited to, arbitration, or mediation between the parties arising out of this Agreement, including but not limited to actions to enforce this Agreement, the prevailing party will be entitled to recover, in addition to any other relief awarded or granted, its reasonable costs and expenses, including attorneys' fees, incurred in the proceeding.

14. Final Agreement. This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

15. Construction. In determining the meaning of, or resolving any ambiguity with respect to, any word, phrase or provision of this Agreement, no uncertainty or ambiguity shall be construed or resolved against a party under any rule of construction, including the party primarily responsible for the drafting and preparation of this Agreement. Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.

16. Authority. Each individual executing this Agreement on behalf of Licensor represents, warrants and covenants to Licensee that (a) such person is duly authorized to execute and deliver this Agreement on behalf of such entity in accordance with authority granted under the organizational documents of such entity, and (b) such entity is bound under the terms of this Agreement.

17. Modifications in Writing. Any modification or amendment of any provision of this Agreement must be in writing and bear the signature of the duly authorized representatives of both parties.

18. No Waiver. The failure of either party to enforce any term, covenant, or condition of this Agreement on the date it is to be performed shall not be construed as a waiver of that party's right to enforce this, or any other term, covenant, or condition of this Agreement at any later date or as a waiver of any term, covenant, or condition of this Agreement.

19. No Third Party Beneficiaries. This Agreement is only between the parties, and is not intended to be nor shall it be construed as being for the benefit of any third party.

20. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall be deemed one and the same instrument, and a facsimile copy of such execution shall be deemed an original.

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the dates hereinafter respectively set forth.

Licensee

CITY OF CARSON, a California municipal corporation

By: _____
Title

Date: _____, 2016

Addresses for Notice:

City of Carson
City Clerk's Office
701 E. Carson Street
Carson, CA 90745

Attn: John Raymond
Director of Community and Financial
Development

Licensor

SCOTTSDALE TOWNHOUSE
ASSOCIATION

By: _____
Title

Print name: _____

Date: _____, 2016

Addresses for Notice:

Scottsdale Association Townhouses, Inc.
C/o So Cal Enterprise
23400 Avalon Blvd
Carson, CA 90745