

AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND WENDY WONG AND OLIVE MANALASTAS FOR REHABILITATION OF PROPERTY

This Agreement for Rehabilitation of Property (the "Agreement") is entered by and between the County of San Mateo, a political subdivision of the State of California (the "County"), and Wendy Wong, an individual ("Wong"), and Olive Manalastas, an individual ("Manalastas") (collectively, "Owners") as of the Effective Date (defined herein). The County and Owners may be collectively referred to herein as "Parties" and individually as a "Party."

Recitals

WHEREAS, Owners are owners of record of that certain real property described in the attached Exhibit A, incorporated by reference herein, and more commonly known as 1235 Hopkins Ave., Redwood City, California 94062 (the "Property"); and

WHEREAS, Owners own and control a corporate entity known as Hopkins Manor Corporation, which operates the Property as a Residential Care Facility for the Elderly (RCFE) for seniors receiving Supplemental Security Income/State Supplementary Payment or Cash Assistance Program for Immigrants who are at risk of or experiencing homelessness as defined in California Health & Safety Code § 50675.1.3 and Part 578.3 of Title 24 of the Code of Federal Regulations (the "Target Population"); and

WHEREAS, Owners have requested that the County undertake and share the costs of rehabilitation of facilities on the Property as further specified herein in order to renovate the third floor of the Property to accommodate 46 beds to serve the Target Population (the "Project"), subject to, among other conditions, recordation of a deed restriction in the form attached hereto as **Exhibit A** (the "Deed Restriction") on the Property by which the use and operation of the third floor of the Property shall be used and operated solely as a RCFE for the Target Population as set forth therein for a period of 20 years from the date of issuance of a certificate of occupancy for the Project; and

WHEREAS, the County's support for the Project is subject to and conditional upon the Owners' agreement to share costs of the Project and the imposition of the Deed Restriction ensuring and restricting the use of the third floor of the Property as set forth therein, which is consistent with the public purposes of the funds; and

WHEREAS, this Agreement and the Project are in furtherance of the County's goals to support the provision and continued operation of RCFE in the County of San Mateo for the Target Population, are in the vital and best interests of the County of San Mateo and the welfare of its residents, and are in accordance with the public purposes and provisions of applicable federal, state, and local laws and requirements under which the Project has been undertaken; and

WHEREAS, Owners have agreed to comply with the terms and conditions of this Agreement in connection with their acceptance of the County's assistance for the Project.

NOW, THEREFORE, IT IS AGREED BY THE PARTIES HERETO AS FOLLOWS:

1. **Exhibits.** The following exhibits and attachments are attached to this Agreement and incorporated into this Agreement by this reference as if fully set forth herein: Exhibit A—Form of Deed Restriction; and Exhibit B—Scope of Work & Cost Share.

2. **Owner Affiliates.** Owners understand and agree that this Agreement binds them and their respective “Affiliates”. For purposes of this Agreement, “Affiliates” means with respect to Owners, and each of them, any corporation, partnership, joint venture, limited liability company, limited liability partnership, trust, or individual controlled by, under common control with, or which controls such Owner(s), including, without limitation, Hopkins Manor Corporation. For purposes of this Agreement, “control” means the ability, whether by the ownership of shares or other equity interests, by contract or otherwise, to elect a majority of the directors of a corporation, to make management decisions on behalf of, or independently to select the managing partner of, a partnership, or otherwise to have the power independently to remove and then select a majority of those individuals exercising managerial authority over an entity, and control shall be conclusively presumed in the case of the ownership of 50% or more of the equity interests).

3. **Project**

- A. **Rehabilitation.** Subject to the terms and conditions of this Agreement, the County agrees to rehabilitate (including, in the County’s sole discretion, causing a third-party contractor to rehabilitate) the Property for the Project in accordance with the scope of work (the “Scope of Work”) set forth in **Exhibit B**, and applicable local codes, rehabilitation standards, ordinances and accessibility standards (“Rehabilitation”). By executing this Agreement, Owners hereby approve the Scope of Work and all actions by the County necessary and advisable in the County’s sole discretion to complete the Rehabilitation.
- B. **Cooperation.** Owners agree to provide reasonable cooperation to the County in order to effectuate the Rehabilitation and the purposes of this Agreement, including to (i) provide and facilitate approvals, certificates, and documentation and such other assistance as may be necessary and advisable in the County’s sole discretion to complete the Scope of Work; (ii) provide access to the Property during the course of the Project to enable the County and its agents and representatives to complete the Scope of Work in a timely and efficient manner.
- C. **Disruption.** The Parties understand and agree that disruption to the operations of the Property, including to the conduct of RCFE on the Property and its residents, is unavoidable during the course of the Rehabilitation, and that County will endeavor to minimize such disruption to the extent reasonably feasible, and that, in no event shall the County be responsible for any costs, expenses or losses incurred by Owners (or any corporate entity through which Owners do business on the Property) associated with such disruptions or the Project.
- D. **Cost Share.**
1. The Parties understand and agree that the County’s Rehabilitation obligations are conditional upon the Owners’ agreement to share costs of such Rehabilitation in accordance with the cost allocation share methodology and amounts set forth in Exhibit B. The Owners agree that they are and shall be jointly and severally liable for the full amount of the Owners’ allocated cost share for the Project which totals \$972,822, as set forth in Exhibit B.
 2. The Owners agree to and shall submit payment to the County, by check payable to the County and delivered to the person specified for receiving notices under this Agreement, for 50% (i.e., \$486,411) of the full amount of the Owner’s allocated cost share amount, as set forth in Exhibit B, not later than 60 days after the Effective Date. The Owners understand and agree that failure to

submit this payment when required shall constitute a material breach of this Agreement as a consequence of which the County shall have no obligation to proceed with the Rehabilitation or the Project. Owners shall submit payment in the same manner provided in this paragraph to the County for the remaining 50% (i.e., \$486,411) of the full amount of the Owners' allocated cost share, as set forth in Exhibit B, within 30 days after the issuance of a certificate of completion for the Project. The County agrees that, in the event the Agreement is terminated before commencement or completion of the Scope of Work, the County will reimburse Owners for a proportionate share of the cost of the uncompleted portions of the Scope of Work, in accordance with the cost share amounts and methodology set forth in Exhibit B, as may be offset by any additional costs the County may incur in connection with such early termination..

3. Subject to the terms and conditions specified herein, the County's cost share of the Project is limited to a total amount not to exceed \$1,720,084 provided that (i) in no event shall the County's total fiscal obligation under this Agreement exceed this amount; (ii) the County's cost share obligation shall be met through incurring costs up to but not exceeding the costs for carrying out the Scope of Work as specified in Exhibit B; and (iii) in no event shall the County be required to make any payments of any kind to Owners, or to otherwise provide compensation to Owners in any form, in connection with the Project or this Agreement.

4. In the event that the actual costs to complete the Rehabilitation exceed the total allocated amounts for Owners and County as specified in the Scope of Work set forth in Exhibit B, the Parties may, at the County's sole election, agree that such increased costs shall be shared in accordance with the cost allocation methodology set forth in Exhibit B, subject to such amendments of the Agreement as may be necessary to account for the increased cost. In the absence of such agreement, Owners shall be responsible for the full cost above the total amounts allocated in Exhibit B.

- E. **Deed Restriction.** Owners acknowledge and agree that Owners shall be required to execute and record the Deed Restriction in the form attached as Exhibit A in the Official Records of the County of San Mateo setting forth certain restrictions on the Property which shall be in a senior lien position, for a term of twenty (20) years from the date of a certificate of occupancy or other document satisfactory to the County upon completion of construction of the Project.
- F. **Permission to Enter Property.** Owners acknowledge and agree that Owners have had ample opportunity to examine, inspect, and investigate the physical and environmental condition of the Property, and have approved the physical and environmental condition of the Property and determined it is acceptable to Owners and suitable for the Project and Owners' intended use. Owners authorize County and County's representatives and agents to enter onto the Property for the purpose of undertaking the Project and completing the Scope of Work described in Exhibit B.
- G. **Owners' Examinations of Property.** Owners agree to provide to County, upon request, a copy of all reports, studies and test results prepared at any time by Owners or their consultants as a result of examinations and/or investigations of the Property.
- H. **Owners' Work on the Property.** To the extent Owners engage in repairs, improvements, maintenance, examinations, investigations, and/or other construction-related activities affecting the Property during the term of the Agreement, Owners shall (i) conduct such activities in a diligent, expeditious, and safe manner and not allow any dangerous or hazardous conditions to occur on

the Property; (ii) obtain any required governmental permits and comply with all applicable laws and governmental regulations for such activities; (iii) keep the Property free and clear of all materialmen's liens, lis pendens and other liens arising out of such activities; (iv) maintain or assure maintenance of workers' compensation insurance (or state approved self-insurance) for all persons entering the Property to conduct such activities in the amounts required by the State of California; and (v) provide to County prior to initial entry a certificate of insurance evidencing that Owners and/or the persons entering the Property have procured and have in effect commercial general liability insurance that satisfies the requirements set forth herein. .

- I. **AS-IS; Release**. Owners acknowledge and agree that Owners own and operate the Property solely in reliance on their own investigation, and that no representations and/or warranties of any kind whatsoever, express or implied, have been made by County.

On and after the Effective Date, Owners will be deemed to have waived and released County of and from any and all claims, causes of action, damages or losses that may be incurred by Owners concerning the condition of the Property, whether known or unknown as of the Effective Date. Such waiver will be deemed to be a release of all rights held by Owners under California Civil Code §1542, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Owners' Initials WVW

- J. **Hazardous Materials**.

1. **Definitions.**

- i. **"Hazardous Materials"** means any substance, material, or waste which is or becomes regulated by any local governmental authority, the State of California, or the United States Government, including, but not limited to, any material or substance which is (i) defined as a "hazardous waste", "acutely hazardous waste", "extremely hazardous waste", or "restricted hazardous waste" under Section 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law), (ii) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a "hazardous material", "hazardous substance", or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) petroleum, (vi) asbestos, (vii) polychlorinated biphenyls, (viii) listed under Article 9 or defined as "hazardous" or "extremely hazardous" pursuant to Article 11 of Title 22 of the California Code of Regulations, Chapter 20, (ix) designated as "hazardous

substances” pursuant to Section 311 of the Clean Water Act (33 U.S.C. Section 1317), (x) defined as a “hazardous waste” pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. (42 U.S.C. Section 6903), (xi) defined as “hazardous substances” pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq., (xii) methyl-tertiary butyl ether, (xiii) perchlorate or (xiv) any other substance, whether in the form of a solid, liquid, gas or any other form whatsoever, which by any governmental requirements either requires special handling in its use, transportation, generation, collection, storage, handling, treatment or disposal, or is defined as “hazardous” or harmful to the environment. For purposes hereof, “Hazardous Materials” excludes materials and substances in quantities as are commonly used in the construction and operation of an apartment complex, provided that such materials and substances are used in accordance with all applicable laws.

- ii. **“Hazardous Materials Contamination”** means the contamination (whether presently existing or hereafter occurring) of the improvements, facilities, soil, groundwater, air or other elements on, in or of the Property by Hazardous Materials, or the contamination of the buildings, facilities, soil, groundwater, air or other elements on, in or of any other property as a result of Hazardous Materials at any time emanating from the Property.
- iii. **“Governmental Requirements”** means all laws, ordinances, statutes, codes, rules, regulations, requirements, orders and decrees, of the United States, the State of California, the County of San Mateo, and of any other political subdivision, agency or instrumentality exercising jurisdiction over County, the Property, and/or the Project, including common law.

2. **Duty to Prevent Hazardous Materials Contamination.** Owners shall take commercially reasonable actions to prevent the exacerbation of an existing release of any Hazardous Materials located on the Property and the release of new Hazardous Materials to the Property. Owners’ duty to prevent Hazardous Materials Contamination shall include compliance with all Governmental Requirements with respect to the disclosure, permitting, notification, storage, use, removal, and/or disposal of Hazardous Materials.
3. **Obligation to Remediate Premises.** Owners acknowledge that County shall have no obligation to undertake any action to address or respond to Hazardous Materials present on, under, or about the Property regardless of when the Hazardous Materials first occurred or when they were first discovered. Except as specifically excepted by this Agreement, any remediation, investigation, mitigation or other response action (collectively “Response Action”) shall be performed by Owners at Owners’ sole cost and expense without any reimbursement from County, including (i) all Response Actions required by any federal, state, regional, or local governmental agency or political subdivision or to fulfill any Governmental Requirements and (ii) all actions necessary to use the Property for the purposes contemplated by the Deed Restriction, this Agreement; and in either case (i) or (ii), regardless of whether the Hazardous Materials or Hazardous Materials Contamination that is the subject of such Response Action arose before or after the Effective Date and regardless of when it was first discovered. Such Response Actions shall include, but not be limited to, the investigation of the environmental

condition of the Property, the preparation of any feasibility studies, risk assessments or other reports, and the performance of any cleanup, remedial, removal, mitigation or restoration work.

4. **Environmental Inquiries.** Owners, when either has received any notices of violation, notices to comply, citations, inquiries, clean-up or abatement orders, or cease and desist orders related to Hazardous Materials or Hazardous Materials Contamination from any governmental agency, or when Owners are required by any regulatory authority to report any violation or potential violation of any Governmental Requirement pertaining to Hazardous Materials or Hazardous Materials Contamination (collectively, "Environmental Inquiries"), shall concurrently notify the County and provide a copy or copies of the Environmental Inquiries

In the event of a release of any Hazardous Materials into the environment in violation of law, Owners shall, as soon as possible after it becomes aware of the release, furnish to the County a notification that the release occurred and a copy of any and all test results and final reports relating thereto and copies of all correspondence with governmental agencies relating to the release. Upon request of the County, Owners shall furnish to the County a copy or copies of any and all other Environmental Inquiries relating to or affecting the Property including, but not limited to, all environmental permit applications for permits, test results and final environmental reports, including, without limitation, those reports and other matters which may be characterized as confidential.

- K. **Review of Title of Property.** Owners certify that Owners have had ample opportunity to review and conduct due diligence on the title of the Property, have determined the condition of title to the Property is suitable for the intended use of the Property specified in this Agreement and the Deed Restriction, and certify that the only deed of trust encumbering the Property is that certain deed of trust in the amount of \$4,488,000 in favor of Harvest Commercial Capital, LLC dated January 10, 2024 and recorded January 19, 2024 in Official Records under Recorder's Serial No. 2024-003344.

4. **Owners' Representations and Warranties.** Owners each represent and warrant the following to be true and correct:
 - a. Owners have full power, authority, and legal right to execute and deliver this Agreement and all other agreements, documents, and instruments contemplated hereby or thereby and to incur and perform its obligations hereunder and thereunder.
 - b. Owners are not in default under or in violation of any indenture or agreement to which it is a party or by which it is bound, or any order, regulation, ruling, or requirement of a court or other public body or authority. No creditor has given Grantee a notice or threatened to give it any notice of default under any material agreement. No event has occurred and is continuing and no condition exists that would constitute an event of default or an event which, with the lapse of time or the giving of notice, or both, would become an event of default.
 - c. No action, suit or proceeding (and to its knowledge, no investigation) is pending against Owners (or either of them) before any court or administrative agency, (i) the outcome of which, by itself or taken together with other such litigation, would be reasonably expected to have a material adverse effect on Owners business, assets, operations, or financial

condition, or (ii) which purports to affect the legality, enforceability, or validity of this Agreement.

- d. Owners are in material compliance with all federal, state and local laws, rules, regulations, ordinances, and orders applicable to it, including, without limitation, all applicable health and safety, environmental, and building and zoning laws.
- e. Owners will submit such documentation as reasonably requested by the County to effectuate the purposes of this Agreement.

5. Term

Subject to compliance with all terms and conditions, the term of this Agreement shall be from [Month and day] , 20[last 2 digits of start year], through [Month and day] , 20[last 2 digits of end year].

6. Termination

This Agreement may be terminated by Owners or by the County via the Director of the San Mateo County Department of Health or his/her designee at any time without a requirement of good cause upon thirty (30) days' advance written notice to the other Party.

County may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon the unavailability of Federal, State, or County funds by providing written notice to Owners as soon as is reasonably possible after County learns of said unavailability of outside funding.

County may terminate this Agreement for cause. In order to terminate for cause, County must first give Owners notice of the alleged breach. Owners shall have five business days after receipt of such notice to respond and a total of ten calendar days after receipt of such notice to cure the alleged breach. If Owners fails to cure the breach within this period, County may immediately terminate this Agreement without further action. The option available in this paragraph is separate from the ability to terminate without cause with appropriate notice described above. In the event that County provides notice of an alleged breach pursuant to this section, County may, in extreme circumstances, immediately suspend performance of services and payment under this Agreement pending the resolution of the process described in this paragraph. County has sole discretion to determine what constitutes an extreme circumstance for purposes of this paragraph, and County shall use reasonable judgment in making that determination.

7. Contract Materials

At the end of this Agreement, or in the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and other written materials (collectively referred to as "contract materials") prepared by Owners under this Agreement shall become the property of County. Upon termination, Owners may make and retain a copy of such contract materials if permitted by law.

8. Relationship of Parties

Owners agrees and understands that any work/services performed under this Agreement are performed as an independent contractor and not as an employee of County and that neither Owners nor their employees acquire any of the rights, privileges, powers, or advantages of County employees. Owners acknowledge and agree that they are not, and will not hold themselves out as, an agent, partner, or co-venturer of the County, and that this Agreement is not intended to and does not create an agency, partnership, or joint venture between the Parties. This Agreement is entered into for the sole benefit of the Parties and is not

for the benefit of, nor may any provision hereof, be enforced by any other person or entity; thus nothing contained herein or in the Parties' course of dealings shall be construed as conferring any third-party beneficiary status on any person or entity not a party to this Agreement.

9. **Hold Harmless**

9.1 **General Hold Harmless**. Owners shall indemnify and save harmless County and its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description resulting from this Agreement, the performance of any work or services required of Owners under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following:

(A) injuries to or death of any person, including Owners or its employees/officers/agents;

(B) damage to any property of any kind whatsoever and to whomsoever belonging;

(C) any sanctions, penalties, or claims of damages resulting from Owners' failure to comply, if applicable, with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended; or

(D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County and/or its officers, agents, employees, or servants. However, Owners' duty to indemnify and save harmless under this Section shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Owners to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

9.2 **Owners' Indemnity**. In addition to and supplemental to the hold harmless provisions set forth in Section 9.1, Owners shall save, protect, defend, indemnify, and hold harmless the County and its officers, agents, employees, and servants ("Indemnitees") from and against any and all liabilities, suits, actions, claims, demands, penalties, damages (including, without limitation, penalties, fines and monetary sanctions), losses, costs or expenses (including, without limitation, consultants' fees, investigation and laboratory fees, reasonable attorneys' fees and remedial and response costs) (the foregoing are hereinafter collectively referred to as "Liabilities") which may now or in the future be incurred or suffered by any of the Indemnitees by reason of, resulting from, in connection with, or existing in any manner whatsoever as a direct or indirect result and to the extent of (i) Owners' failure to comply with all applicable Governmental Requirements; (ii) Owners' placement on or under the Property of any Hazardous Materials or Hazardous Materials Contamination; (iii) Owners' breach of its obligations under Section 3((H)-(K)); or (iv) any Liabilities incurred under any Governmental Requirements relating to the acts described in the foregoing clauses (i), (ii), and (iii).

9.3 **Materiality**. Owners acknowledge and agree that the defense, indemnification, protection and hold harmless obligations of Owners for the benefit of County set forth in this Agreement are a material element of the consideration to County under this Agreement, and that County would not have entered into this Agreement unless Owners' obligations were as provided for herein.

10. Assignability and Subcontracting

Owners shall not assign this Agreement or any portion of it to a third party or subcontract with a third party to provide services required by Owners under this Agreement without the prior written consent of County. Any such assignment or subcontract without County's prior written consent shall give County the right to automatically and immediately terminate this Agreement without penalty or advance notice.

11. Insurance

a. General Requirements

Owners shall obtain all insurance required under this Section and obtain approval of same by County's Risk Management, and Owners shall use diligence to obtain such insurance and to obtain such approval. Owners shall furnish County with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending Owners' coverage to include the contractual liability assumed by Owners pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to County of any pending change in the limits of liability or of any cancellation or modification of the policy.

b. Workers' Compensation and Employer's Liability Insurance

Owners shall have in effect during the entire term of this Agreement workers' compensation and employer's liability insurance providing full statutory coverage. In signing this Agreement, Owners certifies, as required by Section 1861 of the California Labor Code, that (a) it is aware of the provisions of Section 3700 of the California 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 the Labor Code, and (b) it will comply with such provisions before commencing the performance of work under this Agreement.

c. Liability Insurance

Owners shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect Owners and all of its employees/officers/agents while performing work covered by this Agreement and/or on or about the Property for any purpose from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Owners' operations under this Agreement, whether such operations be by Owners, any subcontractor, anyone directly or indirectly employed by either of them, or an agent of either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below:

- 1. Comprehensive General Liability..... \$1,000,000
- 2. Motor Vehicle Liability Insurance..... \$1,000,000
- 3. Professional Liability..... \$1,000,000

County and its officers, agents, employees, and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that (a) the insurance afforded thereby to County and its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy and (b) if the County or its officers, agents, employees, and servants have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this Section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, County, at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work and payment pursuant to this Agreement.

12. Compliance With Laws

All services to be performed by Owners pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances, regulations, and executive orders, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Federal Regulations promulgated thereunder, as amended (if applicable), the Business Associate requirements set forth in Attachment H (if attached), the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of disability in programs and activities receiving any Federal or County financial assistance, as well as any required economic or other sanctions imposed by the United States government or under state law in effect during the term of the Agreement. Such services shall also be performed in accordance with all applicable ordinances and regulations, including but not limited to appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and any applicable State, Federal, County, or municipal law, regulation, or executive order, the requirements of the applicable law, regulation, or executive order will take precedence over the requirements set forth in this Agreement.

Further, Owners certifies that it and all of its subcontractors will adhere to all applicable provisions of Chapter 4.107 of the San Mateo County Ordinance Code, which regulates the use of disposable food service ware. Accordingly, Owners shall not use any non-recyclable plastic disposable food service ware when providing prepared food on property owned or leased by the County and instead shall use biodegradable, compostable, reusable, or recyclable plastic food service ware on property owned or leased by the County.

Owners will timely and accurately complete, sign, and submit all necessary documentation of compliance.

13. Non-Discrimination and Other Requirements

a. General Non-discrimination

No person shall be denied any services provided pursuant to this Agreement (except as limited by the scope of services) on the grounds of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.

b. Equal Employment Opportunity

Owners shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Owners' equal employment policies shall be made available to County upon request.

c. Section 504 of the Rehabilitation Act of 1973

Owners shall comply with Section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified individual with a disability shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of any services this Agreement. This Section applies only to contractors who are providing services to members of the public under this Agreement.

d. Compliance with County's Equal Benefits Ordinance

Owners shall comply with all laws relating to the provision of benefits to its employees and their spouses or domestic partners, including, but not limited to, such laws prohibiting discrimination in the provision of such benefits on the basis that the spouse or domestic partner of the Owners' employee is of the same or opposite sex as the employee.

e. Discrimination Against Individuals with Disabilities

The nondiscrimination requirements of 41 C.F.R. 60-741.5(a) are incorporated into this Agreement as if fully set forth here, and Owners and any subcontractor shall abide by the requirements of 41 C.F.R. 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

f. History of Discrimination

Owners certifies that no finding of discrimination has been issued in the past 365 days against Owners by the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, or any other investigative entity. If any finding(s) of discrimination have been issued against Owners within the past 365 days by the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, or other investigative entity, Owners shall provide County with a written explanation of the outcome(s) or remedy for the discrimination prior to execution of this Agreement. Failure to comply with this Section shall constitute a material breach of this Agreement and subjects the Agreement to immediate termination at the sole option of the County.

g. Reporting; Violation of Non-discrimination Provisions

Owners shall also report to the County the filing by any person in any court any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission, or any other entity charged with the investigation of allegations of discrimination within seventy-five (75) days of such filing, provided that within such seventy-five (75) days such entity has not notified contractor that such charges are dismissed or otherwise unfounded. Such notification to County shall include a general description of the allegations and the nature of specific claims being asserted. Owners shall provide County with a statement regarding how it responded to the allegations within sixty (60) days of its response and shall update County regarding the nature of the final resolution of such allegations.

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Owners to penalties, to be determined by the County Executive Officer, including but not limited to the following:

- i. termination of this Agreement;

- ii. disqualification of the Owners from being considered for or being awarded a County contract for a period of up to 3 years;
- iii. liquidated damages of \$2,500 per violation; and/or
- iv. imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Executive Officer.

To effectuate the provisions of this Section, the County Executive Officer shall have the authority to offset all or any portion of the amount described in this Section against amounts due to Owners under this Agreement or any other agreement between Owners and County.

h. Compliance with Living Wage Ordinance

As required by Chapter 2.88 of the San Mateo County Ordinance Code, Owners certifies all contractor(s) and subcontractor(s) obligated under this contract shall fully comply with the provisions of the County of San Mateo Living Wage Ordinance, including, but not limited to, paying all Covered Employees the current Living Wage and providing notice to all Covered Employees and Subcontractors as required under the Ordinance.

14. Compliance with County Employee Jury Service Ordinance

Owners shall comply with Chapter 2.85 of the County's Ordinance Code, which states that Owners shall have and adhere to a written policy providing that its employees, to the extent they are full-time employees and live in San Mateo County, shall receive from the Owners, on an annual basis, no fewer than five days of regular pay for jury service in San Mateo County, with jury pay being provided only for each day of actual jury service. The policy may provide that such employees deposit any fees received for such jury service with Owners or that the Owners may deduct from an employee's regular pay the fees received for jury service in San Mateo County. By signing this Agreement, Owners certifies that it has and adheres to a policy consistent with Chapter 2.85. For purposes of this Section, if Owners has no employees in San Mateo County, it is sufficient for Owners to provide the following written statement to County: "For purposes of San Mateo County's jury service ordinance, Owners certifies that it has no full-time employees who live in San Mateo County. To the extent that it hires any such employees during the term of its Agreement with San Mateo County, Owners shall adopt a policy that complies with Chapter 2.85 of the County's Ordinance Code." The requirements of Chapter 2.85 do not apply unless this Agreement's total value listed in the Section titled "Payments", exceeds two-hundred thousand dollars (\$200,000); Owners acknowledges that Chapter 2.85's requirements will apply if this Agreement is amended such that its total value exceeds that threshold amount.

15. Retention of Records; Right to Monitor and Audit

(a) Owners shall maintain all required records relating to services provided under this Agreement for three (3) years after County makes final payment and all other pending matters are closed, and Owners shall be subject to the examination and/or audit by County, a Federal grantor agency, and the State of California.

(b) Owners shall comply with all program and fiscal reporting requirements set forth by applicable Federal, State, and local agencies and as required by County.

(c) Owners agrees upon reasonable notice to provide to County, to any Federal or State department having monitoring or review authority, to County's authorized representative, and/or to any of their respective audit agencies access to and the right to examine all records and documents necessary to determine compliance

with relevant Federal, State, and local statutes, rules, and regulations, to determine compliance with this Agreement, and to evaluate the quality, appropriateness, and timeliness of services performed.

16. Merger Clause; Amendments

This Agreement, including the Exhibits and Attachments attached to this Agreement and incorporated by reference, constitutes the sole Agreement of the Parties to this Agreement and correctly states the rights, duties, and obligations of each Party as of this document's date. In the event that any term, condition, provision, requirement, or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any Exhibit and/or Attachment to this Agreement, the provisions of the body of the Agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties are not binding and are hereby superseded. All subsequent modifications or amendments shall be in writing and signed by the Parties.

17. Controlling Law; Venue

The validity of this Agreement and of its terms, the rights and duties of the Parties under this Agreement, the interpretation of this Agreement, the performance of this Agreement, and any other dispute of any nature arising out of this Agreement shall be governed by the laws of the State of California without regard to its choice of law or conflict of law rules. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or in the United States District Court for the Northern District of California.

18. Notices

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via facsimile to the telephone number listed below or transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

In the case of County, to:

Name/Title: [insert]
Address: [insert]
Telephone: [insert]
Facsimile: [insert]
Email: [insert]

In the case of Owners, to:

Name/Title: [insert]
Address: [insert]
Telephone: [insert]
Facsimile: [insert]
Email: [insert]

19. Electronic Signature

Both County and Owners wish to permit this Agreement and future documents relating to this Agreement to be digitally signed in accordance with California law and County's Electronic Signature Administrative

Memo. Any party to this Agreement may revoke such agreement to permit electronic signatures at any time in relation to all future documents by providing notice pursuant to this Agreement.

20. Payment of Permits/Licenses

Where applicable, Owners bear responsibility to obtain any license, permit, or approval required from any agency for work/services to be performed under this Agreement at Owners' own expense prior to commencement of said work/services. Failure to do so will result in forfeit of any right to compensation under this Agreement.

21. Prevailing Wage

When applicable, Owners hereby agrees to pay not less than prevailing rates of wages and be responsible for compliance with all the provisions of the California Labor Code, Article 2-Wages, Chapter 1, Part 7, Division 2, Section 1770 et seq. A copy of the prevailing wage scale established by the Department of Industrial Relations is on file in the office of the Director of Public Works, and available at www.dir.ca.gov/DLSR or by phone at 415-703-4774. California Labor Code Section 1776(a) requires each contractor and subcontractor keep accurate payroll records of trades workers on all public works projects and to submit copies of certified payroll records upon request.

Additionally,

- No contractor or subcontractor may be listed on a bid proposal for a public works project (submitted after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
- No contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.
- This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations

* * *

[Signatures on following page]

In witness of and in agreement with this Agreement's terms, the Parties, by their duly authorized representatives, affix their respective signatures:

For OWNERS:

<u>Wendy Wong</u> Wendy Wong	<u>9/10/2024</u> Date	<u>Wendy Wong</u> Owner Name (please print)
<u>Olive Manalastas</u> Olive Manalastas	<u>9/10/2024</u> Date	<u>Olive Manalastas</u> Owner Name (please print)

For OWNER AFFILIATE HOPKINS MANOR CORP.:

<u>Wendy Wong</u> Hopkins Manor Corporation	<u>9/10/2024</u> Date	<u>Wendy Wong, Manager</u> Name/Title (please print)
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For COUNTY OF SAN MATEO:

_____	_____	_____
XXXX	Date	Name/Title (please print)

Exhibit A
(Form of Deed Restriction)

Exhibit B

(Scope Of Work & Allocated Cost Share)

1. 1st Floor Structural Work & Improvements
 - a. Enlarge Rehabilitation Room by 200 square feet at a cost of \$115,238 for materials and labor allocated \$57,619 County, \$57,619 Owner.
 - b. Expand Dining Room with wall demolition with 500 square feet of improved space at a cost of \$288,094 allocated \$144,047 County, \$144,047 Owner.
 - c. Construct ADA access ramps, 4 ramps located inside and 3 ramps located outside at a cost \$169,015 allocated \$84,508 County, \$84,508 Owner.
 - d. Add approximately 1,000 linear feet of grab rails and grab bars for the interior at a cost of \$28,535 allocated \$14,268 County, \$14,268 Owner.
 - e. Replacement of common area vinyl flooring, approximately 0.75 LS at a cost of \$182,000 allocated \$91,000 County and \$91,000 Owner.
2. 1st & 3rd Floor Improvements
 - a. Installation of 8 delayed egress doors to meet County requirements at a cost of \$57,070 allocated 100% to the County.
 - b. Interior painting of approximately 100,000 square feet of surface at a cost of \$334,000 allocated \$167,000 County and \$167,000 Owner.
3. 3rd Floor Structural Work & Improvements
 - a. Construct Staff Office, approximately 200 square feet at a cost of \$115,238 allocated 100% to the County.
 - b. Construct 8 Jack & Jill bathrooms at a cost of \$201,940 allocated 100% to the County.
 - c. Replace 7,500 square feet of flooring with hard wood at a cost of \$288,094 allocated 100% to the County.
4. Exterior Improvements
 - a. Replacement of roof with asphalt shingles, 1 LS, RUL 2, at a cost of \$185,000 allocated \$92,500 County, \$92,500 Owner.
 - b. Exterior cleaning, sealing, and painting, approximately 150,000 square feet, at a cost of \$69,040 allocated \$34,520 County, \$34,520 Owner.
 - c. Walkways – repair, grind, and replace exterior walkways, asphalt seal, overlay, and striping at a cost of \$65,850 allocated \$32,925 County, \$32,925 Owner.
 - d. Add ADA compliant van parking space, configuration, signage, travel aisle, and relocate existing signage at a cost of \$1,670 allocated \$835 County, \$835 Owner.
 - e. Asphalt seal and parking stall striping of 3,700 square foot parking lot at a cost of \$1,235 allocated \$618 County, \$618 Owner.
5. Mechanical Equipment Improvements
 - a. Replace 4 fan coils on furnace system at a cost of \$8,800; allocated \$4,400 County, \$4,400 Owner.
 - b. Modernize the 2 elevator mechanical systems at a cost of \$104,500 allocated \$52,250 County and \$52,250 Owner.

6. Furniture Replacements
 - a. 46 new bariatric bed frames at a cost of \$38,060 allocated 100% to the County.
 - b. 46 new mattresses at a cost of \$9,020 allocated 100% to the County.
 - c. Bedroom furniture consisting of armchair, nightstand, lamp, and couch for 46 rooms at a cost of \$15,510 allocated 100% to the County.
 - d. Office furniture, filing cabinets, computers, and video monitoring system for the 3rd floor office at a cost of \$19,030 allocated 100% to the County.
 - e. New dining room furniture consisting of tables and chairs for 100 at a cost of \$21,714 allocated \$10,857 County and \$10,857 Owner.
 - f. Outdoor furniture, tables, umbrellas, chairs, and benches at a cost of \$31,350 allocated \$15,675 County and \$15,675 Owner.
 - g. Rehab equipment at a cost of \$3,300 allocated 100% to the County.
7. Other Costs
 - a. Permits and fees at a cost of \$89,600 allocated \$44,800 County and \$44,800 Owner.
 - b. Contingency at a cost of \$250,000 allocated \$125,000 County and \$125,000 Owner.
8. Summary of Allocated Costs for the Scope of Work
 - a. County Share of Costs:
 - i. \$1,720,084
 - b. Property Owner Share of Costs:
 - i. \$972,822
9. Allocation Methodology
 - a. The Cost Allocation Plan is verified by both the room count and the maximum bed count as both methods result in a 50% cost sharing ratio:

Allocation by Room Count (50/50):				
Floor:	Room Type:	Room Count:	Room Method:	
1	Private	3	23	Owner Share
	Shared	2		
2	Private	6		
	Shared	12		
3*	Private	0	23	County Share
	Shared	23		
*=Project				

Allocation by Bed Count (50/50):					
Floor:	Room Type:	Bed Count:	Max. Beds:	Bed Method:	
1	Private	3	6	46	Owner Share
	Shared	4	4		
2	Private	6	12		
	Shared	24	24		
3*	Private			46	County Share
	Shared	46	46		
*=Project					