

AGREEMENT BETWEEN THE HOUSING AUTHORITY OF THE COUNTY OF SAN MATEO AND MIDPEN HOUSING

This Agreement is entered into this 15th day of April 2021, by and between the Housing Authority of the County of San Mateo, hereinafter called "HACSM" and MidPen Housing Corporation, hereinafter called "Contractor."

* * *

WHEREAS, HACSM been a participant in the U.S. Department of Housing and Urban Development ("HUD") Moving To Work ("MTW") demonstration program since 2000, and the three major goals for the MTW program are to increase cost effectiveness, promote self-sufficiency, and expand housing options for program participant; and

WHEREAS, in July 2010, HACSM received HUD approval for "Local Non-Traditional Use of Funds" authority to create a new rental subsidy program, known as the Provider-Based Assistance Program ("PBAP"); and

WHEREAS, the primary purpose of PBAP is to enable local service or housing providers to provide rental or other housing-related assistance to individuals in populations not served, or underserved, by existing rental assistance programs; and

WHEREAS, since 2010, HACSM has utilized PBAP to collaborate with different County departments and organizations to address homelessness and support San Mateo County's goal of reaching "functional zero" for homelessness in San Mateo County and to broaden its commitment to increasing affordable housing choices for underserved populations; and

WHEREAS, last year, the State of California Department of Housing and Community Development made funding available through its Project Homekey Program ("Homekey"), from which the County of San Mateo ("County") received an award; and

WHEREAS, Homekey provided funding to rapidly sustain and expand the inventory of housing for people experiencing homelessness or at risk of homelessness and impacted by COVID-19, and presented an opportunity for local public agencies to purchase motels and a broad range of other housing types in order to increase community capacity to respond to homelessness and the ongoing COVID-19 pandemic; and

WHEREAS, the Homekey award supported the County's acquisition of TownePlace Suites, a 95-unit hotel property located at 1000 Twin Dolphin Drive, Redwood City, California (the "Property"), and the Property was acquired for the purpose of providing permanent affordable housing to the County's extremely low-income seniors, some of whom have experienced homelessness, are at risk of homelessness, and/or would benefit from wrap-around supportive services that can be best provided in connection with permanent housing; and

WHEREAS, on December 22, 2020, the San Mateo County Department of Housing ("DOH") issued a Request for Qualifications ("RFQ") for the operation, management, maintenance and services for the Property, and an Addendum was issued to the RFQ to provide rental assistance under the HACSM PBAP for a designated number of units at the Property; and

WHEREAS, the PBAP enables HACSM to enter into formal partnerships with local housing and service providers to provide rental assistance, in connection with supportive services, to individuals in populations that are not served, or underserved, by existing rental assistance programs; and

WHEREAS, with the designated PBAP units at the Property, HACSM will focus on the underserved population meeting all of the following criteria: (1) persons who are elderly or disabled; (2) persons eligible for Medi-Cal long-term care services and support; (3) persons eligible for In-Home Supportive Services in San Mateo County; and (4) persons at-risk of entering or currently living in a skilled nursing facility but who are able to live independently with supportive services.

Now, therefore, it is agreed by the Parties to this Agreement as follows:

1. Exhibits and Attachments

The following exhibits and attachments are attached to this Agreement and incorporated into this Agreement by this reference:

- Exhibit A: Scope of Services
- Exhibit B: Budget for Services

2. Services to be performed by Contractor

In consideration of the payments set forth in this Agreement, Contractor shall perform services for HACSM in accordance with the terms, conditions, and specifications set forth in this Agreement and in Exhibits.

3. Payments

In consideration of the services provided by Contractor in accordance with all terms, conditions, and specifications set forth in this Agreement and in Exhibits, HACSM shall make payment to Contractor based on the rates and in the manner specified in Exhibit B. HACSM reserves the right to withhold payment if HACSM determines that the quantity or quality of the work performed is unacceptable. In no event shall HACSM's total fiscal obligation under this Agreement exceed One Million, One Hundred Ten Thousand, Nine Hundred Twenty-Two Dollars and no/100 (\$1,110,922). In the event that HACSM makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by the HACSM at the time of contract termination or expiration.

4. Term

Subject to compliance with all terms and conditions, the term of this Agreement shall be from April 15, 2021, through April 30, 2024.

5. Termination; Availability of Funds

This Agreement may be terminated by Contractor or by the Housing Authority of the County of San Mateo Executive Director or his/her designee at any time without a requirement of good cause upon thirty (30) days' advance written notice to the other party. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be that prorated portion of the full payment determined by comparing the work/services actually completed to the work/services required by the Agreement.

HACSM 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 Contractor as soon as is reasonably possible after HACSM learns of said unavailability of outside funding.

6. 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 Contractor under this Agreement shall become the property of HACSM and shall be promptly delivered to HACSM. Upon termination, Contractor may make and retain a copy of such contract materials if permitted by law.

7. Relationship of Parties

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent contractor and not as an employee of HACSM and that neither Contractor nor its employees acquire any of the rights, privileges, powers, or advantages of HACSM employees.

8. Hold Harmless

a. General Hold Harmless

Contractor shall indemnify and save harmless HACSM 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 Contractor 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 Contractor 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 Contractor’s 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 HACSM and/or its officers, agents, employees, or servants. However, Contractor’s duty to indemnify and save harmless under this Section shall not apply to injuries or damage for which HACSM 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 Contractor 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. Assignability and Subcontracting

Contractor 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 Contractor under this Agreement without the prior written consent of HACSM. Any such assignment or subcontract without HACSM’s prior written consent shall give HACSM the right to automatically and immediately terminate this Agreement without penalty or advance notice.

10. Insurance

a. General Requirements

Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this Section has been obtained and such insurance has been approved by HACSM, and Contractor shall use diligence to obtain such insurance and to obtain such approval. Contractor shall furnish HACSM with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to HACSM 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

Contractor 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, Contractor 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

Contractor shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect Contractor and all of its employees/officers/agents while performing work covered by this Agreement 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 Contractor's operations under this Agreement, whether such operations be by Contractor, 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:

- Comprehensive General Liability... \$1,000,000
(Applies to all agreements)
- Motor Vehicle Liability Insurance... \$1,000,000
(To be checked if motor vehicle used in performing services)
- Professional Liability..... \$1,000,000
(To be checked if Contractor is a licensed professional)

HACSM 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 HACSM and its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy and (b) if the HACSM 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, HACSM, 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.

11. Compliance With Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances, and regulations, 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. 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 or regulation, the requirements of the applicable law or regulation will take precedence over the requirements set forth in this Agreement.

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

12. 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

Contractor 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. Contractor's equal employment policies shall be made available to HACSM upon request.

c. Section 504 of the Rehabilitation Act of 1973

Contractor 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

With respect to the provision of benefits to its employees, Contractor shall comply with Chapter 2.84 of the County Ordinance Code, which prohibits contractors from discriminating in the provision of employee

benefits between an employee with a domestic partner and an employee with a spouse. In order to meet the requirements of Chapter 2.84, Contractor must certify which of the following statements is/are accurate:

- Contractor complies with Chapter 2.84 by offering the same benefits to its employees with spouses and its employees with domestic partners.
- Contractor complies with Chapter 2.84 by offering, in the case where the same benefits are not offered to its employees with spouses and its employees with domestic partners, a cash payment to an employee with a domestic partner that is equal to Contractor's cost of providing the benefit to an employee with a spouse.
- Contractor is exempt from having to comply with Chapter 2.84 because it has no employees or does not provide benefits to employees' spouses.
- Contractor does not comply with Chapter 2.84, and a waiver must be sought.

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 Contractor 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

Contractor must check one of the two following options and by executing this Agreement, Contractor certifies that the option selected is accurate:

- No finding of discrimination has been issued in the past 365 days against Contractor by the Equal Employment Opportunity Commission, the Department of Fair Employment and Housing, or any other investigative entity.
- Finding(s) of discrimination have been issued against Contractor within the past 365 days by the Equal Employment Opportunity Commission, the Department of Fair Employment and Housing, or other investigative entity. If this box is checked, Contractor shall provide HACSM with a written explanation of the outcome(s) or remedy for the discrimination.

g. Reporting; Violation of Non-discrimination Provisions

Contractor shall report to the HACSM the filing in any court or with any administrative agency of any complaint or allegation of discrimination on any of the bases prohibited by this Section of the Agreement or Section 11, above. Such duty shall include reporting of the filing of any and all charges with the Equal Employment Opportunity Commission, the Department of Fair Employment and Housing, or any other entity charged with the investigation or adjudication of allegations covered by this subsection within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include a general description of the circumstances involved and a general description of the kind of discrimination alleged (for example, gender-, sexual orientation-, religion-, or race-based discrimination).

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

- i. termination of this Agreement;
- ii. disqualification of Contractor from being considered for or being awarded a County or HACSM 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 HACSM.

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

13. Compliance with County Employee Jury Service Ordinance

Contractor shall comply with Chapter 2.85 of the County's Ordinance Code, which states that Contractor 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 Contractor, 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 Contractor or that Contractor may deduct from an employee's regular pay the fees received for jury service in San Mateo County. By signing this Agreement, Contractor certifies that it has and adheres to a policy consistent with Chapter 2.85. For purposes of this Section, if Contractor has no employees in San Mateo County, it is sufficient for Contractor to provide the following written statement to County: "For purposes of San Mateo County's jury service ordinance, Contractor 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, Contractor 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 if this Agreement's total value listed Section 3, above, is less than one-hundred thousand dollars (\$100,000), but Contractor acknowledges that Chapter 2.85's requirements will apply if this Agreement is amended such that its total value meets or exceeds that threshold amount.

14. Retention of Records; Right to Monitor and Audit

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

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

(c) Contractor agrees upon reasonable notice to provide to HACSM, to any Federal or State department having monitoring or review authority, to HACSM'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.

15. 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 not expressly stated in this document are not binding. All subsequent modifications or amendments shall be in writing and signed by the parties.

16. 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.

17. 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 HACSM, to:

Name/Title: Raymond Hodges, Executive Director
Address: 264 Harbor Blvd., Bldg. A, Belmont, CA 94002
Telephone: 650-802-
Facsimile: 650-802-3373
Email: rhodges@smchousing.org

In the case of Contractor, to:

Name/Title:
Address:
Telephone:
Email:

18. Electronic Signature

If both HACSM and Contractor wish to permit this Agreement and future documents relating to this Agreement to be digitally signed in accordance with California law and San Mateo County's Electronic Signature Administrative Memo, both boxes below must be checked. Any party that agrees to allow digital signature of this Agreement may revoke such agreement at any time in relation to all future documents by providing notice pursuant to this Agreement.

For HACSM: If this box is checked by HACSM, HACSM consents to the use of electronic signatures in relation to this Agreement.

For Contractor: If this box is checked by Contractor, Contractor consents to the use of electronic signatures in relation to this Agreement.

* * *

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

HOUSING AUTHORITY OF THE COUNTY OF SAN MATEO

By: _____

Date: _____

MIDPEN HOUSING CORPORATION

By: _____

Date: _____

Exhibit A – Scope of Services

In consideration of the payments set forth in Exhibit B, Contractor shall provide the following services:

PBAP at Property

Contractor is required to create and implement a preference policy for up to 20 units at the Property to serve households that meet the eligibility criteria described in the “Eligible Households” section, below (“Duals” households). HACSM will use its budget authority from PBAP to provide operating subsidy to support the Duals households referred by HACSM or its authorized referral agencies.

Program Policy

- HACSM will provide a fixed monthly operating subsidy for each unit occupied by a PBAP-eligible household regardless of unit size (see Exhibit B for fixed amount).
- The operating subsidy may be adjusted based on the HUD published Operating Cost Adjustment Factor annually at the anniversary date of the agreement.
- The operating subsidy will be prorated based on the number of days the unit is occupied during the move-in and move-out months.
- The unit may not receive any other Public Housing or Section 8 rental assistance, or any other duplicative federal, State, or local rental subsidy. For this purpose, ‘rental subsidy’ does not include escrow funds that are set aside by San Mateo County to augment operating costs at the Property or a rent reduction because of a tax credit.
- All units must meet Housing Quality Standards (HQS) as defined by HUD.
- HACSM and the Contractor may mutually agree to add additional PBAP units. Clear communication between parties, information tracking, success in serving the Duals population and participant success in maintaining stable housing will all be very important factors in determining whether PBAP can be expanded upon for future years and to serve additional households.
- HACSM and Contractor may mutually agree to substitute an existing PBAP unit with another unit provided the substitute unit is in HQS compliance.
- Vacant PBAP units are not eligible for PBAP operating subsidy.
- Contractor may rent PBAP units to non-PBAP eligible households if HACSM or its authorized referral agencies are unable to refer a sufficient number of eligible households within 30 days to fill the available PBAP units. Units occupied by non-PBAP households are not eligible to receive operating subsidy.
- Contractor is responsible to bill HACSM monthly according to established HACSM procedures.

Supportive Services

PBAP participants may need various forms of services and supports to maintain stable and independent housing. Services may include health and wellness assessments, care coordination with primary care medical homes, crisis intervention, scheduled in-home visits, and in-home support for personal care. These services may be provided by the San Mateo County Health Plan or its designees, the San Mateo County Behavioral Health and Recovery Services or its designees, or other County departments and service partners.

Eligible Households

To be eligible for an apartment supported by PBAP funding, a prospective tenant must meet all of the following criteria.

- Household income must be at or below 30% of Area Median Income (Extremely Low-Income, or ELI), as determined by the U.S. Department of Housing and Urban Development for the Section 8 Income Limits:

Household Size	1 Person	2 Person	3 Person
Extremely Low-Income Limit	\$38,400	\$43,850	\$49,350

***Based on income limits effective 4/1/21, subject to change**

- No household member is bound to “lifetime registration” under any State Sex Offender registration program.
- No household member has been convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing.
- No household member is currently engaged in, or has engaged in, violent criminal or drug-related criminal activity, within the past three years.
- At least one member of the household has eligible citizenship or eligible immigration status.
- At least one household member meets all of the Duals Preference criteria below:
 - a) A person with disabilities or an elderly person as defined by HUD regulations, and
 - b) Eligible for Medi-Cal long-term care service and support; and
 - c) Eligible for In-Home Supportive Services (IHSS) in San Mateo County; and
 - d) At-risk of entering or currently living in a skilled nursing facility but can successfully live independently with supportive services.

Tenant Rent

Tenant Rent is the portion of rent for which the Tenant (or PBAP participant) is responsible. Contractor will be required to use the same rent policy in its proposal approved by the County Department of Housing in connection with the RFQ. The PBAP participants will make rent payment directly to Contractor. HACSM is not responsible to collect or pay Tenant Rent or make any other payments required by the terms and conditions of the Lease Agreement between tenants and Contractor.

Monitoring and Program Evaluation

No less than annually, HACSM will audit files to determine that established processes are being followed (based on the Agreement requirements). Program entrances, exits and non-admittances will also be monitored.

Contractor will proactively communicate with other County agencies, cities, and members of the Continuum of Care Committee (if applicable) in order to assure that those who are interested are aware of the status, success and challenges of the program. Contractor will notify HACSM prior to using PBAP in newsletters, presentations or other communications. Contractor will share with HACSM stories of success in writing upon request.

HACSM is responsible for reporting outcome developments and any other program analysis for this project. HACSM’s evaluation of the program may address issues related to 1) housing stability, and 2) participant success (such as income status or time in unit) and 3) serving a number of households that otherwise would not have been served. HACSM will communicate with Contractor when developing appropriate evaluation criteria for the population being served. Contractor is expected to collect mutually agreed upon Participant data and outcomes for the program valuation.

Exhibit B

In consideration of the services provided by Contractor described in Exhibit A and subject to the terms of the Agreement, HACSM shall pay Contractor based on the following fee schedule and terms:

Provider-Based Assistance Program Budget for Property	
Number of Units (up to)	20
Rental assistance per Unit for all bedroom sizes	\$ 1,500
First year budget	\$ 360,000
	\$ 369,720
2nd year budget (estimated OCAF 2.7%)	
3rd year budget (estimated OCAF 2.7%)	\$ 379,702
Total Budget for PBA Contract	\$ 1,110,922

- HACSM will provide a fixed monthly operating subsidy of \$1500 for each unit occupied by a PBAP-eligible household regardless of unit size.
- The operating subsidy may be adjusted based on the HUD published Operating Cost Adjustment Factor annually at the anniversary date of the agreement.
- The operating subsidy will be prorated based on the number of days the unit is occupied during the move-in and move-out months. Subsidy will not be paid on vacant units.
- HACSM reserves the right to withhold payment if HACSM determines that the quantity or quality of the work performed is unacceptable.
- In no event shall HACSM's total fiscal obligation under this Agreement exceed \$1,110,922.
- On a monthly basis, Contractor shall submit an invoice to HACSM (in a prescribed format provided by HACSM) with a report of activities for the program participants that will include, but is not limited to, a list of participant names or alternate identifiers, unit addresses (or alternate identifiers, as needed), Lease Rents, Tenant Rents, and move-in/move-out dates.
- HACSM subsidy payments will be processed upon review and approval of invoice; HACSM currently provides payment via direct deposit to a valid account established by Contractor or via paper check. HACSM does not process payments via wire transfers.