

START UP MATCH FUNDING AGREEMENT

BETWEEN SOLANO COUNTY AND SHELTER SOLANO, INC

This START UP FUNDING AGREEMENT, dated as of _____, 2019 (this "Agreement"), is made by and between SOLANO COUNTY, a political subdivision of the State of California (the "County") and SHELTER SOLANO, INC., a California non-profit public benefit corporation established under the Nonprofit Public Benefit Corporation Law of the State of California ("Operator").

RECITALS:

WHEREAS, Operator is commencing operations at a facility on Beck Avenue (the "Facility"), which is the largest shelter facility in the city and county, providing emergency shelter and other services (the "Services") for individuals and families experiencing homelessness (such persons, "Clients").

WHEREAS, Operator has requested operating funds from the communities served by the Facility.

WHEREAS, the County desires to support continued operations at the Facility by providing start up funding because closure of the facility would harm the homeless community served at the Facility and would be detrimental to the health and welfare of the surrounding communities, including the County.

WHEREAS, County and Operator each desire to enter into this Agreement.

NOW, THEREFORE, for and in consideration of the premises and the mutual agreements and covenants contained here and for other valuable consideration, the parties formally covenant, agree, and bind themselves as follows:

ARTICLE 1

TERM; FUNDING; FUNDING ADJUSTMENTS

Section 1.1 Term. This Agreement shall terminate and shall be of no further force or effect after all of the funds have been disbursed or the agreement is terminated pursuant to section 3.1 below.

Section 1.2 Start Up Match Funding. County will contribute \$1.85 for every \$1.00 contributed by the incorporated cities in Solano County, up to a maximum County contribution of \$270,000 (the "Start Up Funding"). Beginning on the first day of the month after the first full month of operations of the Facility, Operator will guarantee two beds for 365 days for use by County clients. The County shall disburse Start Up Funding in three monthly payments equivalent to 35%, 35% and 30% of the Start Up Funding, with the first payment to be made within 15 days of Operator receiving, and notifying the County of, the necessary approvals from the City of Fairfield to begin operations at the Facility. Each subsequent disbursement to occur on the 15th day of the next consecutive month, in each case unless such date is a weekend or holiday, in which case disbursement will occur on the next succeeding business day. The amount of each payment

will be calculated based on receipt of evidence of incorporated cities' funding as of the 1st of each month as outlined in Section 2.3.

ARTICLE 2

CONDITIONS FOR TEMPORARY FUNDING; COVENANTS

Section 2.1 Representations of Operator. Operator hereby represents to the County that Operator reasonably expects that the Start Up Funding will enable Operator to serve the Clients.

Section 2.2 Conditions for Start Up Funding; Covenants of Operator. As consideration for, and ongoing conditions of, the County's payment of Start Up Funding, set forth in Article 1 above, Operator covenants and agrees as follows:

(a) To use Start Up Funding solely for the purpose for operating the Facility and providing Services to Clients.

(b) To keep appropriate accounting records in which complete and correct entries shall be made of all transactions relating to the Start Up Funding.

(c) To comply with the terms of that certain Termination, Assignment and Assumption of Lease, Landlord's Consent and Conditional Release, and Additional Agreements Among the Parties, dated as of _____.

(d) Within five business days following a request by the County Administrator, Operator shall provide to the County a copy of all accounting records relating to the Start Up Funding that are available as of such date under Operator's customary financial statement preparation schedule.

(e) To submit to County Administrator proof of funding to provide services to at least 60 individuals experiencing homelessness.

(f) To attend at least 75% all meetings of Housing First Solano.

(g) To enter all Facility Clients into Housing First Solano's Homeless Management Information System.

(h) On the 10th business day of each month, Operator shall provide a list of Clients, which includes each person's city of origin and referring agency, and the use of the County's two dedicated beds in the prior month.

Section 2.3 Evidence Of Funding. Upon request of the County, Operator shall provide to County Administrator proof of funding or written commitment of funding from incorporated cities and schedule for disbursement from the other cities. On a monthly basis, the Operator will submit to County Administrator proof of funding or written commitment of funding received and not previously provided to the County Administrator until Operator has provided proof or commitment of funding to provide services to at least 60 individuals at the Facility experiencing homelessness.

Section 2.4 Indemnity. Operator shall hold harmless, defend and indemnify County and its elective and appointive boards, commissions, officials, officers, agents, employees, and volunteers from and against any and all liability, loss, damage, expense, costs (including, without limitation, attorney's fees and costs of litigation) of any nature arising out of or in connection with this Agreement.

ARTICLE 3 MISCELLANEOUS

Section 3.1 Abandonment of Services. In the event that Operator determines to abandon its services to Facility Clients, Operator shall immediately notify the County and within 30 days after such determination, Operator shall return to the County any Start Up Funding previously paid amounts which have not been expended by Operator.

Section 3.2 Notices. Any notice or other communication under this Agreement shall be given by first class mail or personal delivery to the party entitled at its address set forth below, by overnight mail, as a .pdf attachment to electronic mail, or by telecopy or other form of telecommunication, confirmed by telephone at its number set forth below. Notice shall be effective either (i) 48 hours after deposit in the United States mail, postage prepaid, (ii) in the case of overnight mail, upon delivery to the addressed destination, or (iii) in the case of personal delivery or as a .pdf attachment to electronic mail to any person, upon actual receipt.

If to the County:

Solano County
675 Texas St., Ste. 6600
Fairfield, California 94533
Attention: County Administrator
Telephone: (707) 784-6100
Email: cao-clerk@solanocounty.com

If to Operator:

Shelter Solano, Inc.
P.O. Box 5368
Concord, CA 94524
Attn.: Chief Executive Officer
Attention:
Telephone: (925) 957-7595
Email: je@shelterinc.org

John Ekstrom
shelterinc.org

Section 3.3 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of California with venue residing in Solano County, CA

Section 3.4 Validity and Severability. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement and such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained here. The County and Operator each declares that it would have entered into this Agreement and each and every other Section, paragraph,

sentence, clause or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Agreement may be held illegal, invalid or unenforceable.

Section 3.5 Assignment. This Agreement shall not be assigned by either party without the prior written consent of the other party. This Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties.

Section 3.6 Amendment. This Agreement may not be effectively amended, changed, modified, altered or terminated except by written agreement of the County and Operator.

Section 3.7 Execution of Counterparts. This Agreement may be executed in any number of counterparts, each of which shall for all purposes be deemed to be original and all of which shall together constitute but one and the same instrument.

The County and Operator have executed this Start Up Funding Agreement, by their duly authorized representatives, all as of the date first above written.

SOLANO COUNTY

By _____
Birgitta E. Corsello, County Administrator

SHELTER SOLANO INC.

By  _____

Name: _____

Title: John Eckstrom, CEO