AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into this 16th day of August, 2021, by and between the City of Merced, a California Charter Municipal Corporation, whose address of record is 678 West 18th Street, Merced, California 95340, (hereinafter referred to as "City") and RSG, Inc., a California Corporation, whose address of record is 17872 Gillette Avenue, Suite 350, Irvine, California 92614, (hereinafter referred to as "Consultant").

WHEREAS, City is undertaking a project seeking assistance in evaluating options to expend affordable housing monies in the Low and Moderate Income Housing Asset Fund; and,

WHEREAS, Consultant represents that it possesses the professional skills to provide consulting services in connection with said project.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants hereinafter recited, hereby agree as follows:

1. SCOPE OF SERVICES. The Consultant shall furnish the following services: Consultant shall provide the services described in Exhibit "A" attached hereto.

No additional services shall be performed by Consultant unless approved in advance in writing by the City, stating the dollar value of the services, the method of payment, and any adjustment in contract time. All such services are to be coordinated with City and the results of the work shall be monitored by the Director of Development Services or designee. However, the means by which the work is accomplished shall be the sole responsibility of the Consultant.

2. TIME OF PERFORMANCE. All of the work outlined in the Scope of Services shall be completed in accordance with the Schedule outlined in Exhibit "A" attached hereto and incorporated herein by reference. By mutual agreement and written addendum to this Agreement, the City and the Consultant may change the requirements in said Schedule.

3. TERM OF AGREEMENT. The term of this Agreement shall commence upon the day first above written and end on June 30, 2023.

4. COMPENSATION. Payment by the City to the Consultant for actual services rendered under this Agreement shall be made upon presentation of an invoice detailing services performed under the Scope of Services dated July 1, 2021, in accordance with the fee schedule set forth in Exhibit "A" attached hereto and incorporated herein by reference. The Consultant agrees to provide all services required under the Scope of Services in Exhibit "A" within the compensation amount set forth in Exhibit "A". For Consultant's services rendered under this Agreement, City shall pay Consultant the not to exceed sum of One Hundred Ninety-Two Thousand Sixty Dollars ($192,060.00).

5. METHOD OF PAYMENT. Compensation to Consultant shall be paid by the City after submission by Consultant of an invoice delineating the services performed.

6. RECORDS. It is understood and agreed that all plans, studies, specifications, data magnetically or otherwise recorded on computer or computer diskettes, records, files, reports, etc., in possession of the Consultant relating to the matters covered by this Agreement shall be the property of the City, and Consultant hereby agrees to deliver the same to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials including but not limited to those set forth hereinabove, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use.

7. CONSULTANT'S BOOKS AND RECORDS. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement. Any records or documents required to be maintained shall be made available for inspection, audit and/or copying at any time during regular business hours, upon oral or written request of the City.

8. INDEPENDENT CONTRACTOR. It is expressly understood that Consultant is an independent contractor and that its employees shall not be employees of or have any contractual relationship with the City. Consultant shall be responsible for the payment of all taxes, workers' compensation insurance and unemployment insurance. Should Consultant desire any insurance protection, the Consultant is to acquire same at its expense.

In the event Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, protect, defend, and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

9. INDEMNITY. Consultant shall indemnify, protect, defend (with legal counsel selected by the City), save and hold City, its officers, employees, and agents, harmless from any and all claims or causes of action for death or injury to persons, or damage to property resulting from intentional or negligent acts, errors, or omissions of Consultant or Consultant's officers, employees, volunteers, and agents during performance of this Agreement; Consultant shall indemnify, protect, defend (with counsel selected by the City) save and hold City, its officers, employees and agents harmless from any and claims or causes of action for any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct, negligent acts, or omissions of Consultant or its employees, subcontractors, or agents, or by the quality or character of Consultant's work, or resulting from the negligence of the City, its officers, employees, volunteers and agents, except for loss caused by the sole negligence or willful misconduct of the City or its officers, employees, volunteers or agents. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall survive the termination of this Agreement and shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

10. INSURANCE. During the term of this Agreement, Consultant shall maintain in full force and effect at its own cost and expense, the following insurance coverage:

a. Workers' Compensation Insurance. Full workers' compensation insurance shall be provided with a limit of at least One Hundred Thousand Dollars ($100,000) for any one person and as required by law, including Employer's Liability limits of $1,000,000.00 per accident. The policy shall be endorsed to waive the insurer's subrogation rights against the City.

b. General Liability.

(i) Consultant shall obtain and keep in full force and effect general liability coverage at least as broad as ISO commercial general liability coverage occurrence Form CG 0001.

(ii) Consultant shall maintain limits of no less than One Million Dollars ($1,000,000) per occurrence for bodily injury, personal injury and property damage.

(iii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects liability arising out of work or operations performed by or on behalf of the Consultant.

(iv) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.

(v) Consultant shall maintain its commercial general liability coverage for three (3) years after completion of the work and shall add an additional insured endorsement form acceptable to the City naming the City of Merced, its officers, employees, agents and volunteers for each year thereafter for at least three (3) years after completion of the work. Copies of the annual renewal and additional insured endorsement form shall be sent to the City within thirty (30) days of the annual renewal.

c. Automobile Insurance.

(i) Consultant shall obtain and keep in full force and effect an automobile policy of at least One Million Dollars ($1,000,000) per accident for bodily injury and property damage.

(ii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects automobiles owned, leased, hired or borrowed by the Consultant.

(iii) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.

d. Professional Liability Insurance. Consultant shall carry professional liability insurance appropriate to Consultant's profession in the minimum amount of One Million Dollars ($1,000,000). Architects and engineers' coverage is to be endorsed to include contractual liability.

e. Qualifications of Insurer. The insurance shall be provided by an acceptable insurance provider, as determined by City, which satisfies all of the following minimum requirements:

(i) An insurance carrier admitted to do business in California and maintaining an agent for service of process within this State; and,

(ii) An insurance carrier with a current A.M. Best Rating of A:VII or better (except for workers' compensation provided through the California State Compensation Fund).

f. Certificate of Insurance. Consultant shall complete and file with the City prior to engaging in any operation or activity set forth in this Agreement, certificates of insurance evidencing coverage as set forth above and which shall provide that no cancellation or expiration by the insurance company will be made during the term of this Agreement, without thirty (30) days written notice to City prior to the effective date of such cancellation—including cancellation for nonpayment of premium. In addition to any other remedies City may have, City reserves the right to withhold payment if Consultant's insurance policies are not current.

11. PREVAILING WAGES.

A. Labor Code Compliance. If the work performed under this Agreement falls within Labor Code Section 1720(a)(1) definition of a "public works" the Vendor agrees to comply with all of the applicable provisions of the Labor Code including, those provisions requiring the payment of not less than the general prevailing rate of wages. The Vendor further agrees to the penalties and forfeitures provided in said Code in the event a violation of any of the provisions occurs in the execution of this Agreement.

B. These wage rate determinations are made a specific part of this Agreement by reference pursuant to Labor Code Section 1773.2. General Prevailing Wage Rate Determinations may be obtained from the Department of Industrial Relations Internet site at http://www.dir.ca.gov/.

C. After award of the Agreement, and prior to commencing work, all applicable General Prevailing Wage Rate Determinations, if applicable, are to be obtained by the Vendor from the Department of Industrial Relations. Theses wage rate determinations are to be posted by the Vendor at the job site in accordance with Section 1773.2 of the California Labor Code.

D. Vendor agrees to include prevailing wage requirements, if applicable, in all subcontracts when the work to be performed by the subcontractor under this Agreement is a "public works" as defined in Labor Code Section 1720(a)(1) and Labor Code Section 1771.

12. ASSIGNABILITY OF AGREEMENT. It is understood and agreed that this Agreement contemplates personal performance by the Consultant and is based upon a determination of its unique personal competence and experience and upon its specialized personal knowledge. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express written consent of the City.

13. TERMINATION FOR CONVENIENCE OF CITY. The City may terminate this Agreement any time by mailing a notice in writing to Consultant that the Agreement is terminated. Said Agreement shall then be deemed terminated, and no further work shall be performed by Consultant. If the Agreement is so terminated, the Consultant shall be paid for that percentage of the phase of work actually completed, based on a pro rata portion of the compensation for said phase satisfactorily completed at the time the notice of termination is received.

14. CONFORMANCE TO APPLICABLE LAWS. Consultant shall comply with its standard of care regarding all applicable Federal, State, and municipal laws, rules and ordinances. No discrimination shall be made by Consultant in the employment of persons to work under this contract because of race, color, national origin, ancestry, disability, sex or religion of such person.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act (8 U.S.C.A. 1101 *et seq.*), as amended; and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any agency or instrumentality of the federal or state government, including the courts, impose sanctions against the City for such use of unauthorized aliens, Consultant hereby agrees to, and shall, reimburse City for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by the City in connection therewith.

15. WAIVER. In the event that either City or Consultant shall at any time or times waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or any other covenant, condition or obligation. Waiver shall not be deemed effective until and unless signed by the waiving party.

16. INCONSISTENT OR CONFLICTING TERMS IN AGREEMENT AND EXHIBITS. In the event of any contradiction or inconsistency between any attached document(s) or exhibit(s) incorporated by reference herein and the provisions of the Agreement itself, the terms of the Agreement shall control.

Any exhibit that is attached and incorporated by reference shall be limited to the purposes for which it is attached, as specified in this Agreement. Any contractual terms or conditions contained in such exhibit imposing additional obligations on the City are not binding upon the City unless specifically agreed to in writing, and initialed by the authorized City representative, as to each additional contractual term or condition.

17. AMBIGUITIES. This Agreement has been negotiated at arms' length between persons knowledgeable in the matters dealt with herein. Accordingly, any rule of law, including, but not limited to, Section 1654 of the Civil Code of California, or any other statutes, legal decisions, or common-law principles of similar effect, that would require interpretation of any ambiguities in this

Agreement against the party that drafted this Agreement is of no application and is hereby expressly waived.

18. VENUE. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this agreement shall be held exclusively in a state court in the County of Merced.

19. AMENDMENT. This Agreement shall not be amended, modified, or otherwise changed unless in writing and signed by both parties hereto.

20. INTEGRATION. This Agreement constitutes the entire understanding and agreement of the parties and supersedes all previous and/or contemporaneous understanding or agreement between the parties with respect to all or any part of the subject matter hereof.

21. AUTHORITY TO EXECUTE. The person or persons executing this Agreement on behalf of the parties hereto warrants and represents that he/she/they has/have the authority to execute this Agreement on behalf of their entity and has/have the authority to bind their party to the performance of its obligations hereunder.

22. COUNTERPARTS. This Agreement may be executed in one or more counterparts with each counterpart being deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterparts executed by the other parties hereto are in the physical possession of the party or parties seeking enforcement thereof.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first above written.

CITY OF MERCED
A California Charter Municipal
Corporation

BY: Stephanie Dietz
City Manager

ATTEST:
STEPHANIE R. DIETZ, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:

BY: _____ 7/28/21
City Attorney Date

301715 PO#143243
ACCOUNT DATA:

BY: _____
Verified by Finance Officer V-10248
Funds available. 9/9/21

{Signatures continued on next page}

071-1363-552-17-00 FL 9/9/21
$ 192,060.00
DL 9/9/21

CONSULTANT
RSG, INC.,
A California Corporation

BY: Yara G. Matthews
(Signature)

Tara E. Matthews
(Typed Name)

Its: Vice President, Principal
(Title)

BY: _____
(Signature)

James Simon
(Typed Name)

Its: President, Principal
(Title)

Taxpayer I.D. No. 95-3435849

ADDRESS: 17872 Gillette Ave.
Suite 350
Irvine, CA 92614

TELEPHONE: (714) 541-4585
FAX: (714) 541-1175
E-MAIL: tmatthews@webrsg.com

EXHBIT A

RSG
BETTER COMMUNITIES.
BOLDER FUTURES.

17872 GILLETTE AVE.
SUITE 350
IRVINE, CA 92614

714 541 4585
INFO@WEBRSG.COM
WEBRSG.COM

July 1, 2021

Via Electronic Mail

Scott McBride, Director of Development Services
CITY OF MERCED
678 West 13th Street
Merced, CA 95340

PROPOSAL FOR AFFORDABLE HOUSING CONSULTING SERVICES – JULY 2021

It has been RSG's privilege to work for the City of Merced ("City") and the Merced Housing Successor Agency ("Housing Successor") to consult on housing activities since July 2018. RSG helps the City evaluate affordable housing development proposals, draft and negotiate affordable housing agreements, manage its Housing Successor assets, prepare legally required annual reports, and monitor developer payments and compliance. Recent projects include drafting agreements for the 119-unit Childs & B affordable housing project, coordinating a $6 million loan payoff for the Grove Apartments, and issuing a Request for Proposals to develop ten Housing Successor properties with affordable housing.

This letter presents a proposed Scope of Services to assist the City with multiple endeavors to advance new affordable housing development and ensure existing developer obligations are met. Services would begin in July 2021 and end upon completion, with an estimated two-year timeframe.

SCOPE OF SERVICES

Task 1: Housing Successor Real Property Development Negotiations and Agreements

RSG released a Request for Proposals ("RFP") on behalf of the City in April 2021 that solicited proposals to develop ten Housing Successor properties with affordable housing. Three proposals were received in May 2021. RSG conducted a detailed proposal evaluation in June 2021, including underwriting pro formas to evaluate the financial feasibility of each proposed development.

In FY 2021-22, RSG will continue assisting with developer selection, negotiation, and agreements as outlined below:

- *Proposal Presentation and Developer Selection* – RSG has recommended RFP finalists to City staff. RSG will review proposals with City staff and have follow-up conversations with developers as needed. RSG will work with staff and legal counsel to prepare and present developer submittals to City Council in closed and open session as needed.

- *Developer Negotiation* - RSG will assist in negotiating financial and affordability deal points to be included in any agreement between the selected developers and the Housing Successor in order to comply with Senate Bill 341 and the Surplus Lands Act.

- *Agreement Preparation and Project Management* – RSG will draft Housing Successor loan and affordability agreements with the selected developers. RSG will also review and comment on any pertinent agreements prepared by the City Attorney or developer's legal counsel, such as a Disposition and Development Agreements. The budget estimate assumes 2 sets of agreements will be prepared. Additional agreements would be billed on a time and materials basis with staff's authorization. RSG's budget estimate includes full project management services to coordinate all stages of agreement preparation and execution.

Task 2: Other Affordable Housing Project Negotiations and Agreements

The City is considering providing financial assistance to two large multifamily affordable housing projects with HOME or other funds. These are separate from the Housing Successor RFP proposals under Task 1. RSG will assist the City with reviewing developer proposals, negotiating deal points, drafting agreements, and overall project management. This includes evaluating developer pro formas to ensure projects are financially feasible. RSG would ensure all legal requirements tied to applicable funding sources are met, such as HUD and Housing Successor requirements.

The City has existing agreements with two other projects, Gateways II and Childs & B, that may require amended agreements. RSG is available to draft amended agreements and coordinate between the City and developers as needed.

The budget estimate includes preparation of up to 4 sets of agreements; additional sets would be billed on a time and materials basis with staff's authorization. Each set of agreements includes the standard City documents drafted to lend money from a single funding source (i.e. Note, Deed of Trust, Deed Restriction Covenant and Loan Agreement, Agreement Containing Covenants, Regulatory Agreement, Notice of Affordability Restrictions, and the adopting resolution).

Task 3: HOME Subsidy Layering Analysis and Neighborhood Standards Review

If the City plans on assisting affordable housing projects with HOME funds, a Subsidy Layering Analysis or Neighborhood Standards Review may be required. RSG will complete these reports as needed for applicable projects; the budget estimates assumes they will be prepared for 2 projects. The City may negotiate with individual developers to be reimbursed for the cost of the Subsidy Layering Analysis and Neighborhood Standards Review.

- *Subsidy Layering Analysis* – Subsidy layering occurs when a project receives funds from more than one governmental source. If the City plans to combine HOME funds with other governmental funds to assist an affordable multi-family housing project, it must demonstrate that the project will not receive more HOME funding than necessary. Subsidy layering evaluations must comply with published HUD Guidelines (CPD 98-1). HUD has prepared a HOME Multifamily Underwriting Evaluation Template ("HOME Template") to assist jurisdictions with the required analysis.

  RSG would review the development pro forma to determine the reasonableness of estimated development costs, revenue assumptions and proposed financing structure, including, but not limited to, the potential for receiving HOME funds. RSG will review rents, expenses, cash flows,

and tax benefits to determine whether cash flow projections are reasonable given current economic conditions. RSG will evaluate whether the costs funded by the HOME Program are eligible and the HOME funds per unit do not exceed the maximum per-unit subsidy limits.

RSG will complete the HOME Template and prepare a memorandum detailing our findings and recommendations regarding the economic feasibility of the proposed development, and determining whether the total requested amount of HOME funding and other governmental assistance is reasonable based on costs and/or projected rate of return.

- *Neighborhood Standards Review* - Site and neighborhood standards of 24 CFR 983.6(b) and 987.57(e) apply to new construction of rental housing, which places limiting conditions on building in areas of "minority concentration" and that are "racially mixed." If a Site and Neighborhood Standards Review is required, RSG will conduct research to determine whether the project site is of adequate size, exposure, and contour to the proposed development, has adequate utilities, and whether it is in an area of minority concentration. Findings will be presented in a summary memorandum.

Task 4: Compliance Monitoring

Affordable housing projects assisted by the former redevelopment agency's ("RDA") Low and Moderate Income Housing Fund or by HOME funds require compliance monitoring to ensure properties comply with affordable housing agreements. The City has ten homeowner projects and one rental project funded by the RDA with outstanding loans and several HOME projects.

RSG can assist the City with the following affordable housing compliance monitoring tasks as desired by staff:

1. Review Controlling Documents & Prepare Project Summary Database: RSG would collect and review controlling documents for the City's affordable housing projects and create an Affordable Housing Inventory that includes the following information for each project:
   - Project name and location
   - List of controlling documents and funding sources
   - Affordability restriction start and end dates
   - Compliance requirements (i.e. Annual Income Recertification, Residual Receipts, etc.)
   - Number of age-restricted (senior) units

2. Request Monitoring Forms: RSG would prepare and distribute letters requesting property managers/owners to submit compliance monitoring forms that verify tenant incomes and rents comply with affordability requirements for 2021.

3. Analyze Data and Prepare Monitoring Reports: RSG would review the completed forms to analyze compliance with affordable housing agreements and restrictive covenants. RSG would prepare a monitoring summary report for each property that identifies whether the property is in compliance with the terms of the applicable regulatory documents. It would detail areas of non-compliance, if any, and make recommendations for correcting any non-compliance issues. Monitoring

reports would be sent to the City for review and edit, then to property owners. Property owners would be given an opportunity to address non-compliance issues, if any.

4. Follow-up with Non-Compliant Properties: RSG would correspond with property managers/owners to address issues of non-compliance that can be addressed by providing additional documentation. This would be limited to up to 10 hours of correspondence and review. More complicated matters, particularly those requiring changes in rents or tenancies, would be addressed jointly with City staff and for an additional fee with the City's authorization.

5. Clearance Reports and Summary Report: For any properties that had non-compliance issues, RSG would prepare Clearance Reports after the property managers/owners respond to corrective action requests. RSG would provide a compliance review summary table to City staff summarizing the compliance status of each property and remaining non-compliance issues, if any.

RSG has provided housing compliance monitoring services to clients for over 30 years. As such, we have a long and successful track record in assisting public agencies in their affordable housing program formulation, implementation, and administration. We prepare monitoring programs and operating manuals for cities and agencies, as well as conduct one-time or continuing annual compliance audits of multifamily rental projects. Through our broad experience in all aspects of affordable housing, RSG staff is completely familiar with the calculation of housing costs and housing expense allowances, and the laws relating to continuing affordability and the processes involved with income determination and verification, eligibility review and recertification, and monitoring and reporting compliance activities.

RSG's fee estimate assumes compliance monitoring for up to 5 projects; additional projects may be monitored with staff's authorization on a time and materials basis.

Task 5: Housing Successor Agency Annual Reports

RSG will prepare the Housing Successor Agency Annual Report ("Annual Report") for Fiscal Years 2020-21 and 2021-22. The Annual Report is due with the City's Housing Element Annual Report by April 1 annually to the California Department of Housing and Community Development ("HCD"). The Annual Report must also be presented to City Council.

The Annual Report will include all items required by Health & Safety Code Section 34176.1. It includes a summary of financial activity and affordable housing efforts. RSG will integrate financial data provided by City staff and information about affordable housing resources and activity. The Annual Report will clearly detail compliance with legal requirements and outline steps to come into compliance, if necessary.

Task 6: General As-Needed Services

The Housing Successor has multiple responsibilities related to asset management and property disposition and development, and many needs may arise that are impossible to predict in advance. RSG will assist with general as-needed services for miscellaneous items as requested by staff. This may include assisting with services under Tasks 1 and 2 that require more in-depth services than anticipated due to the complex

and unpredictable nature of developer negotiations, including drafting more than one set of loan agreements depending on the number of financing sources contributed to each affordable housing project.

STAFFING

Tara Matthews will serve as the Managing Principal, providing oversight for all aspects of the engagement. Suzy Kim, Senior Associate will be the Project Manager and primary contact for the engagements. Wesley Smith, Analyst, will assist with this engagement. Other RSG staff may be assigned as needed. RSG resumes may be viewed on our website at www.webrsg.com.

FEE ESTIMATE

RSG proposes to provide the tasks described in the Scope of Services on a time-and-materials basis not to exceed **$192,000**. Services would begin in July 2021 and end upon completion, with an estimated two-year timeframe. The estimated budget for each task is provided for reference in case the City wishes to execute approval incrementally for each task as needed. Please see the following chart for a breakdown of costs by task.

Task	*Principal/ Director $275*	*Senior Associate $200*	*Associate $185*	*Analyst $135*	*Total*
1: Housing Successor Real Property Development Negotiations and Agreements (2 projects)					
Proposal Presentation and Selection	24	24	10	0	$ 13,250
Developer Negotiation	30	30	12	0	$ 16,470
Agreement Preparation and Project Mgnt (2 sets)	20	40	0	10	$ 14,850
Task 1 Total	*74*	*94*	*22*	*10*	*$ 44,570*
2: Other Affordable Housing Projects and Agreements					
Detailed Proposal Evaluation (2 projects)	10	10	40	30	$ 16,200
Developer Negotiation (2 projects)	40	40	16	0	$ 21,960
Agreement Preparation and Project Mgnt (4 sets)	40	80	0	20	$ 29,700
Task 2 Total	*90*	*130*	*56*	*50*	*$ 67,860*
3: Subsidy Layering Analysis and Neighborhood Standards Review (2 projects)	20	40	80	70	$ 37,750
4: Compliance Monitoring (5 projects)	5	10	50	50	$ 19,375
5: Housing Successor Annual Report (2 years)	2	20	0	75	$ 14,675
6: General As-Needed Services	*10*	*20*	*0*	*8*	*$ 7,830*
GRAND TOTAL	201	314	208	263	**$ 192,060**

Tasks related to the Housing Successor may be paid from the Low and Moderate Income Housing Asset Fund. Tasks related to HOME or other HUD funds may be paid from the appropriate administrative budgets for those funds. The City could also negotiate with developers to be reimbursed for Task 3 if required for

their proposed developments.

The services would be provided per the terms and conditions of a consulting services agreement by and between the City and RSG. A detailed billing will be submitted monthly for payment. The Scope of Services will be billed on a time-and-materials basis at the following hourly rates:

Hourly Billing Rates & Fee Schedule

Principal / Director	$ 275
Senior Associate	200
Associate	185
Senior Analyst	150
Analyst	135
Research Assistant	125
Technician	80
Clerical	60
Reimbursable Expenses	Cost plus 10%

RSG does not charge clients for mileage, parking, general postage or incidental copies. However, we do charge for messenger services or overnight shipping/express mail costs. We also charge for copies of reports, documents, notices, and support material in excess of five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge. RSG issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended, and the hourly rate. We are open to discussion and negotiation over billing options to accommodate client preferences.

We look forward to discussing our proposal with you to discuss our proposal in detail. In the meantime, should you have any questions, please contact Tara Matthews at (714) 316-2111.

Sincerely,
RSG, INC.

Tara Matthews
Principal

Suzy Kim
Senior Associate