

REIMBURSEMENT AGREEMENT BETWEEN CITY OF WHEATLAND AND MERCY HOUSING CALIFORNIA 63, LP FOR TRANSIT SERVICES

This Reimbursement Agreement for Transit Services ("Agreement") is made effective as of October 27, 2015, by and between the City of Wheatland, California, a municipal corporation ("Wheatland"), and Mercy Housing California 63, LP; a California limited partnership ("Mercy Housing).

RECITALS

- (i) Mercy Housing owns an apartment complex with 88 apartment units known as the Sunset Valley Duplexes located at 512 Spruce Street, Wheatland, California 95692 ("Property");
- (ii) Wheatland and the Yuba-Sutter Transit Authority ("Authority") entered an agreement on July 1, 2007 ("2007 Transit Agreement") under which Authority provides on-demand public transit services for the benefit of Wheatland residents, which services are paid for in part by State Transit Assistance ("STA") funds that are allocated to Wheatland by the California Department of Transportation each year;
- (iii) Pursuant to the 2007 Transit Agreement, Authority currently provides Wheatland residents with one round trip between Wheatland and the City of Marysville ("Marysville") three (3) times a week on Tuesdays, Wednesdays and Thursdays ("Existing Transit Services");
- (iv) Mercy Housing desires that the Existing Transit Services be increased by two (2) additional days per week ("Additional Transit Services") such that Authority would provide one round trip between Wheatland and Marysville five (5) days a week, from Monday through Friday;
- (v) Authority is agreeable to providing such Additional Transit Services provided that Wheatland and Mercy Housing agree to a reimbursement of transit-related costs whereby Authority shall bill Wheatland for Additional Transit Services and Mercy Housing shall remit payment for such costs to Wheatland, which in turn would remit such payments to Authority pursuant to the terms of the 2007 Transit Agreement;
- (vi) Wheatland and Mercy Housing now desire that Additional Transit Services be provided in accordance with the 2007 Transit Agreement and any subsequent amendments to that agreement, and for Mercy Housing to reimburse Wheatland for the costs of providing such Additional Transit Services; and
- (vii) Wheatland and Partnership possess full authority to enter into this Agreement.

AGREEMENT

NOW, THEREFORE, Wheatland and Mercy Housing agree as follows:

1. Provision of Additional Transit Services. Wheatland shall execute any and all documents reasonably necessary to allow Authority to provide the Additional Transit Services to Wheatland pursuant to the terms of the 2007 Transit Agreement; as such agreement may be amended from time to time.
2. Reimbursement. To obtain reimbursement from Mercy Housing for such Additional Transit Services, Wheatland shall submit an invoice to Mercy Housing no more than once each quarter, beginning at the end of the three-month period after the Authority starts providing the Additional Transit Services. Each invoice shall state that the reimbursement request is being made only for the Additional Transit Services provided by Authority to Wheatland for that quarter. Mercy Housing shall review all reimbursement requests submitted by Wheatland and within thirty (30) days of receipt make full payment of the invoice.

The cost of the Additional Transit Services shall be calculated based on the pro-rated actual net cost per vehicle service hour on the Wheatland route. Based on the most recent quarterly financial reports from Authority as of September 2015, the total annual cost for the transit services for July 1, 2015 to June 30, 2016 IS estimated at \$42,733.53, which is the total vehicle service hours of 510.8 multiplied by the current hourly rate of \$83.66. The annual fares collected are estimated to be \$720. The net total cost is estimated at \$42,013.53. The City's contribution covering the existing transit services at three (3) days per week, or 60%, is \$25,208.12. Mercy Housing's contribution for the Additional Transit Services, or 40%, is \$16,805.41. Wheatland shall prepare, in consultation Authority, an invoice detailing Mercy Housing's share of the transit service costs within 30 days of the end of the first three-month period after Authority starts providing the Additional Transit Services.

The Authority's hourly rate, fare collections and actual vehicle hours are subject to change.

3. Review and Retention of Records. The Parties shall ensure timely review and approval of any documents, including this Agreement and the 2007 Transit Agreement, relating to the provision of Additional Transit Services without undue delay. The Parties shall also meet in good faith to attempt to resolve any outstanding issues concerning the provision of such services. The Parties shall keep records of any documents related to the services described herein, which shall be available, upon request, for inspection at all reasonable times during reasonable hours.
4. Notices. All notices and invoices required under this Agreement shall be given in writing by personal delivery or United States certified mail to the following representatives of the Parties at the addressed indicated below:

Mercy Housing:
Mercy Housing California 63, LP
2512 River Plaza Drive, Suite 200
Sacramento, CA 95833
Attention: Asset Manager

Wheatland:
City of Wheatland, California
111 C Street
Wheatland, CA 95692
Attention: City Manager

with a copy to:
Mercy Housing California 63, LP
c/o Mercy Housing, Inc.
99 Broadway, Suite 1000
Denver, CO 80202
Attention: Legal Department

with a copy to:
Bartkiewicz, Kronick & Shanahan
1011 22nd Street
Sacramento, CA 95816
Attention: Richard P. Shanahan

5. Term of Agreement. This Agreement shall become effective on the date first above written and shall continue thereafter until terminated by mutual consent of the Parties. Either Party may terminate this Agreement by providing written notice of termination to the other party at least thirty (30) days prior to the effective date of termination. Within thirty (30) days of such termination, Mercy Housing shall pay to Wheatland any accrued but unpaid reimbursement charges for the prior quarter.
6. Integration. This Agreement constitutes the sole, final, complete, exclusive and integrated expression and statement of the terms of this contract between the Parties concerning the subject matter addressed herein, and supersedes all prior negotiations, representations or agreements, either oral or written, that may be related to the subject matter of this Agreement, except those other documents that are expressly referenced in this Agreement.
7. Construction and Interpretation. It is agreed and acknowledged by the Parties that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.
8. Waiver. The waiver at any time by any Part of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter.
9. Severability. The invalidity, illegality or unenforceability of any provision of this Agreement shall not render the other provisions unenforceable, invalid or illegal.
10. Successors and Assigns. The rights and duties of the Parties under this Agreement shall not be assigned or delegated without the express written consent of the other Party. Any attempt to assign or delegate such rights of duties in contravention of this Agreement shall be null and void. Any approved assignment or delegation shall be consistent with the terms of any contracts, resolutions, indemnities and other obligations of the assigning or delegating Party then in effect, and may be subject to such additional reasonable conditions of approval imposed by the Party approving the assignment or delegation.

11. No Third Party Beneficiaries. This Agreement shall not be construed to create any third party beneficiaries. This Agreement is for the sole benefit of the Parties, and their permitted successors, transferees and assignees, and no other person or entity shall be entitled to rely upon or receive any benefit from this Agreement or any of its terms.
12. Amendment. This Agreement may be modified or amended only by subsequent written agreement approved and executed by both Parties.
13. Attorneys' Fees. In the event any legal action is brought to enforce or construe this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees, expert witness and consulting fees, litigation costs and costs of suit.
14. Counterparts. This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, THE PARTIES have executed this Agreement on the date set forth below.

Dated: _____

City of Wheatland, California

By: _____
Its Mayor

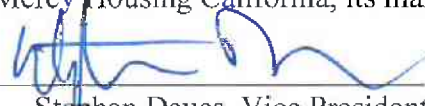
ATTEST: _____
CITY CLERK

Dated: 11/18/15

Mercy Housing California 63, LP

By: Sunset Valley Duplexes LLC, its
general partner

By: Mercy Housing California, its manager

By: 
Stephan Daues, Vice President

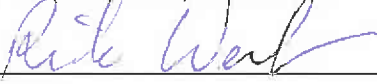
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IN WITNESS WHEREOF, THE PARTIES have executed this Agreement on the date set forth below.

Dated: 10/30/15

City of Wheatland, California

By: 
Its Mayor

ATTEST: 
CITY CLERK

Dated: 10/30/15

Mercy Housing California 63, LP

By: Sunset Valley Duplexes LLC, its
general partner

By: Mercy Housing California, its manager

By: _____
Stephan Daues, Vice President

