

## RESOLUTION NO. 1805

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD  
 AUTHORIZING THE EXECUTION OF AN AGREEMENT BETWEEN THE  
 CITY OF SOLEDAD AND UNITED STATES ESCROW, INC.,  
 PROVIDING LOAN SERVICES RELATED TO THE  
 CITY'S HOUSING REHABILITATION GRANT

BE IT RESOLVED by the City Council of the City of Soledad, that the City Manager and the City Clerk be, and they are hereby authorized and directed to execute with **UNITED STATES ESCROW, INC.**, an agreement, in the form of the document hereunto attached, marked Exhibit "A", and by reference made a part hereof.

PASSED AND ADOPTED by the City Council of the City of Soledad at a regular meeting duly held on the 11th day of August, 1987, by the following vote:

AYES, and in favor thereof, Councilmembers: Campos,  
 Ledesma, Untalon, Mayor Pro Tem Slagle, and Mayor Oritz  
 NOES, Councilmembers: None  
 ABSENT, Councilmembers: None

  
 MAYOR OF THE CITY OF SOLEDAD

ATTEST:

  
 CITY CLERK OF THE CITY OF SOLEDAD

SERVICE AGREEMENT BY AND BETWEEN  
THE CITY OF SOLEDAD  
AND UNITED STATES ESCROW, INC.

THIS AGREEMENT entered into as of the 12th day of August 1987, by and between the City of Soledad public body, corporate and politic (hereinafter referred to as the "Agency") and UNITED STATES ESCROW, INC., a Corporation organized and existing under the laws of the State of California (hereinafter referred to as the "Contractor").

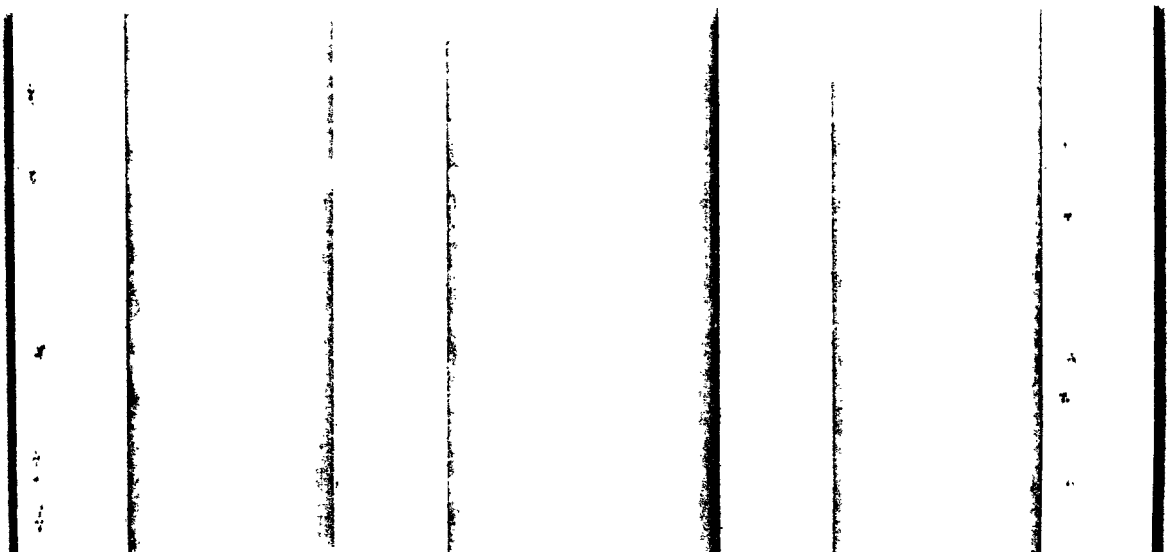
W I T N E S S E T H

WHEREAS, a below market interest rate improvement loan program has been created by the Agency utilizing a payback of funds provided by the California Department of Housing and Community Development and/or the United States Department of Housing and Urban Development;

WHEREAS, a portion of these funds are allocated and advanced to the Agency for housing rehabilitation activities, and

WHEREAS, pursuant to such agreements, the Agency is undertaking certain activities necessary for the planning or execution of a number of rehabilitation projects (Projects), adopted by the Agency, and

Exhibit "A"



WHEREAS, the Agency desires to engage the Contractor to render services in connection with loans made by the Agency and/or Bank of America for improvements within the Agency, and

WHEREAS, the Contractor represents that it is qualified to perform services under this contract;

NOW, THEREFORE, THE PARTIES HERETO DO HEREBY MUTUALLY AGREE AS FOLLOWS:

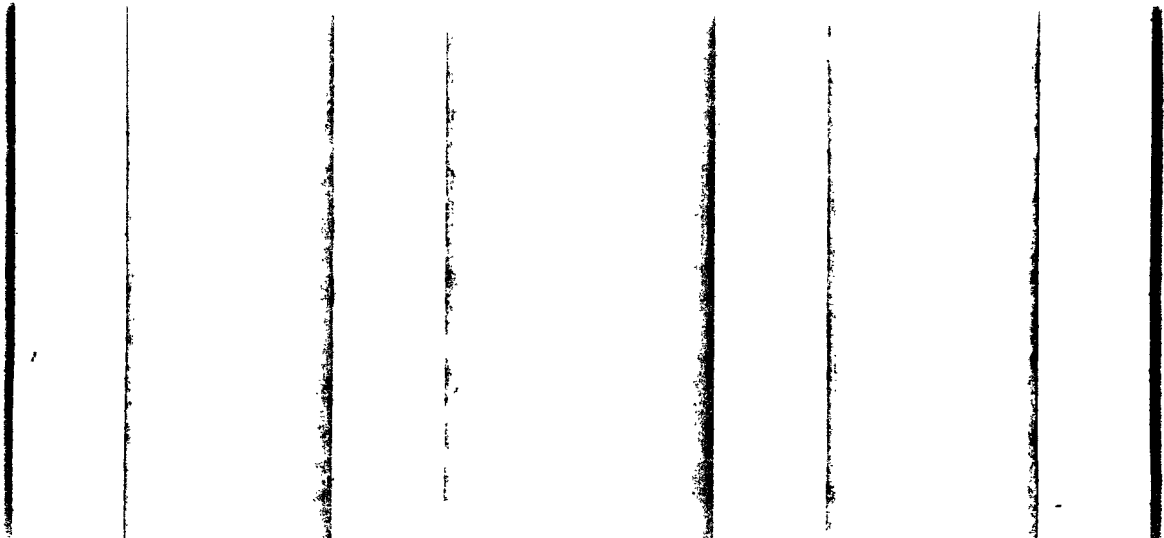
**SCOPE OF SERVICES**

When and as requested in writing by the Agency, the Contractor shall provide escrow and related services for property improvements in connection with loans made by the Agency to homeowner and/or property/business owners for the expansion or improvement of the property. Service shall include, but shall not be limited to, the areas listed below.

**I. REHABILITATION/REVITALIZATION SERVICES**

**A. FUND DISBURSEMENT SERVICES**

- 1. Upon loan approval the Agency shall send loan proceeds and completed Control Instructions to the Contractor. The Control Instructions shall include the following data:



- a. Owner(s) name
  - b. Contractor(s) name
  - c. Job site address
  - d. Dollar amount of funds being escrowed
  - e. Instructions on how funds are to be disbursed
  - f. Original signatures of Owner and Agency Representative or Agent.
2. When and as requested in writing by the Agency, the Contractor shall provide check disbursements to parties designated by Agency in connection with loans made by the Agency or its Agent for redevelopment.
3. Written instructions shall be in the form of a Disbursement Authorization containing information regarding the amount of disbursement, the parties to be paid, and contain signatures of Agency representatives authorized to request disbursements.
4. Upon receipt of Disbursement Authorization, the Contractor shall identify and verify the Payment Authorization as follows:
- a. Amount requested is available
  - b. Total loan amount equals amount escrowed
  - c. Owner's and Agency Representative's signatures are the same as on the original escrow instructions
5. Upon the proper verification, the Contractor shall prepare a check for the amount shown on the payment authorization and shall send the check to the Agency.

6. At the request of the Agency, Contractor shall hold a retention fund as determined by the Agency for a minimum period of thirty-five (35) days after receiving final inspection. Retention fund shall be disbursed only after Contractor receives from Agency a statement from a title insurance company verifying that the property is free of all liens associated with the housing rehabilitation project.

E. MAINTENANCE OF FILES AND AVAILABILITY OF DATA

1. Contractor shall maintain records of all accounts established under the provisions of this Agreement for a period of five (5) years after the closing of each account. Contractor shall, upon request and within thirty (30) days of such request, make available all records, financial and otherwise, dealing with its activities performed pursuant to the provisions of this Agreement to authorized auditors and monitors of the Agency or the United States Department of Housing and Urban Development.

II. SCHEDULE OF FEES

In return for the services provided by the Contractor, the Agency shall pay fees to the Contractor according to the following schedule:

A. FUND DISBURSEMENT SERVICES

1. For each loan application for which escrow disbursement services (excluding 312 and Rental Rehabilitation disbursement) are performed: an additional \$67.50 plus recording fees.
2. Said escrow fee shall be paid upon the opening of each escrow account.

III. **ADDITIONAL TERMS**

A. EQUAL OPPORTUNITY

During the performance of this Agreement, the Contractor agrees as follows:

1. The Contractor will not discriminate against any employee or applicant for employment because of their race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, or sex. The Contractor will take affirmative action to ensure that the applicants are employed, and that employees are treated during employment without regard to their race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, or sex. Such action shall include, but not be limited to, the following: employment, upgrading, demo-

tion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.

2. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, or sex.
3. The Contractor will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

B. REPRESENTATIONS

1. As an inducement to the execution of this Agreement, the Contractor represents and agrees that it has, and will continue to have, adequate and proper facilities and personnel to perform the services and work agreed to be performed by it hereunder; that it is duly qualified by

law to perform such services and work, and that it has not employed any person to solicit or procure this Agreement, and has not made, and will not make, any payment or any agreement for the payment of any commission, percentage, brokerage, contingent fee or other compensation in connection with the procurement of this Agreement.

C. TERMINATION OF SERVICES

1. In the event of breach of any condition or provision hereof, the Agency shall have the right, by prior written notice to the Contractor, to terminate its employment hereunder and cancel this Agreement and have the work called for hereby otherwise performed, without prejudice to any other rights or remedies of the Agency. The Agency shall have the benefit of such work as may have been completed up to the time of such termination and with respect to any part which shall have been delivered to and accepted by the Agency, there shall be an equitable adjustment of compensation.
2. Irrespective of any default hereunder, the Agency may also, at any time at its discretion, terminate this Agreement, in whole or in part, by giving the Contractor thirty (30) days written notice thereof and in such event, the Contractor shall be entitled to receive

compensation specified herein for all work completed and accepted prior to such thirty (30) days notice of termination or cancellation; an equitable adjustment shall be made, as compensation to the Contractor to the date of such termination or cancellation, but not yet delivered to the Agency. The Contractor at its discretion may terminate this Agreement, in whole or in part, by giving the Agency thirty (30) days written notice.

3. The term of the Agreement shall commence upon execution of this Agreement by both parties and shall continue for one year thereafter. This Agreement shall automatically renew for successive one year terms.

IN WITNESS HEREOF, the Agency and Contractor have executed this Agreement as of the date first hereinabove set forth.

By [Signature]  
Date [Signature]

UNITED STATES ESCROW, INC.

By [Signature] V.P.  
Date 7-28-87

