

JOINT EXERCISE OF POWERS AGREEMENT
of the
SOUTH BAY REGIONAL HOUSING TRUST

THIS JOINT EXERCISE OF POWERS AGREEMENT (the “Agreement”) is made this ____ day of _____, 2026 (the “Effective Date”), by and between the public agencies listed in Exhibit A, attached hereto and incorporated herein by reference (each a “Party” and, collectively, the “Parties”).

RECITALS

- A. The Parties are authorized to and have a strong interest in promoting the health, safety, and welfare of the residents within their geographic boundaries.
- B. The Parties acknowledge that the State has declared the existence of a shortage of affordable housing.
- C. The Parties find it in their mutual interest to increase the availability of affordable housing, workforce housing and supportive housing and to reduce homelessness in a coordinated manner on a regional level.
- D. An adequate supply of housing throughout the South Bay subregion will provide social and economic benefits to residents and taxpayers of the Parties.
- E. California Government Code section 6500 *et seq.* (“Joint Exercise of Powers Act” or “Act”) permits two or more public agencies to create joint powers authorities for the purposes cited herein and permits the agencies to exercise jointly any power that the public agencies could exercise separately, and further grants certain additional powers to such joint powers authorities.
- F. The Parties find that each of them has the individual power to implement the housing projects contemplated by this Agreement making them eligible under the Act to enter into this Agreement.
- G. In 2022, the Act was amended by the addition of California Government Code section 6539.9, which expressly authorizes the creation of a South Bay Regional Housing Trust by way of approval of this Agreement in order to promote public-private partnerships, nonprofit collaborations and otherwise to fund housing to assist the homeless population and persons and families of extremely low, very low, and low income as defined in Section 50093 of the California Health and Safety Code within the South Bay subregion.

- H. This Agreement shall not be interpreted to limit any Party's authority over land use decision making or otherwise limit their respective sovereign powers within their respective jurisdictions.

NOW, THEREFORE, in consideration of the mutual promises set forth below, the Parties agree as follows:

Section 1. Creation and Purpose.

- (a) Creation of SBRHT. Pursuant to the Joint Exercise of Powers Act, including Government Code section 6539.9, there is hereby created a public entity to be known as the "South Bay Regional Housing Trust" ("SBRHT"). Pursuant to Section 6503.5 of the California Government Code, SBRHT shall be a public entity separate and apart from the Parties and shall administer this Agreement.
- (b) Purpose. This Agreement is made pursuant to the Joint Exercise of Powers Act for the purpose of creating the SBRHT as a public entity separate from the Parties to exercise common powers with respect to receiving and leveraging public and private financing and funds for the planning and construction of housing of all types and tenures for persons and families of extremely low-, very low-, and low- income, as defined in Section 50093 of the Health and Safety Code, including, but not limited to, permanent supportive housing. The purpose of this Agreement shall be accomplished, and common powers exercised in the manner set forth in this Agreement. Nothing contained in this Agreement shall preclude any Party from establishing, maintaining, or providing social programs or services to its respective residents as it deems proper and necessary.

Section 2. Term and Termination

- (a) Term. This Agreement shall become effective, and SBRHT shall come into existence, upon the approval of this Agreement by the governing bodies of four eligible Parties. The Effective Date will be the date of approval by the fourth Party. This Agreement shall thereafter continue in full force and effect until terminated pursuant to subdivision (b) of this section.
- (b) Termination. This Agreement may be terminated by agreement of a majority vote of the Parties. Upon termination of this Agreement, SBRHT shall be dissolved and, after payment of or provision for payment of all liabilities, the assets of SBRHT shall be distributed to the Parties in proportion to the contributions of each Party to SBRHT and the amounts paid by each Party in connection with SBRHT's activities.

Section 3. Powers and Duties of SBRHT.

- (a) General Powers. SBRHT shall have all the powers common to the Parties to this Agreement necessary or convenient, specified, or implied, to accomplish the purpose of this Agreement as set forth in Section 1, subject to the restrictions set forth in this

Section 3, subdivision (c) below. Said powers shall be exercised in the manner provided in the Joint Exercise of Powers Act, including without limitation all powers set forth in Government Code section 6539.9, and, except as expressly set forth herein, subject only to such restrictions upon the manner of exercising such powers as are imposed upon the City of Redondo Beach, a chartered city and municipal corporation, in the exercise of similar powers.

(b) Specific Powers. Without limiting the generality of the powers conferred in subdivision (a) of this Section 3, SBRHT is hereby authorized, in its own name, to do all of the acts necessary or convenient to the accomplishment of the purposes of this Agreement and the full exercise of the powers conferred in subdivision (a) of this Section 3, including but not limited to the following:

1. to make and enter into contracts;
2. to hire employees or contract for staff assistance, including but not limited to contracting with other public agencies;
3. to sue and be sued in its own name;
4. to apply for, accept, receive and disburse grants, loans and other aids from any agency of the United States of America, the State of California, Los Angeles County, a Party to this Agreement, or any other agency providing funding related to the purposes of this Agreement;
5. to invest any money in the treasury pursuant to Section 6505.5 of the Joint Exercise of Powers Act that is not required for the immediate necessities of SBRHT, as SBRHT determines is advisable, in the same manner and upon the same conditions as local agencies, pursuant to Section 53601 of the California Government Code;
6. to apply for letters of credit or other forms of financial guarantees in order to enter into agreements in connection therewith;
7. to incur and discharge debts, liabilities, and obligations, subject to the limitations set forth in this Agreement and to the extent permitted by law;
8. to assume ownership of affordability covenants governing a property from another entity in order to preserve the units as affordable;
9. to engage the services of private consultants to render professional and technical assistance and advice in carrying out the purposes of this Agreement;
10. to employ and compensate legal counsel determined appropriate by SBRHT in carrying out the purposes of this Agreement;
11. to contract for engineering, construction, architectural, accounting, environmental, land use, or other services determined necessary or convenient by SBRHT in connection with the accomplishment of the purposes of this Agreement;

- to, for the purposes of enforcing affordable housing covenants or holding security interests for loans, to take title to, and transfer, sell by installment sale or otherwise, lands, structures, real or personal property, rights, rights-of-way, franchises, easements, and other interests in real or personal property which SBRHT determines are necessary or convenient in connection with the accomplishment of the purposes of this Agreement; provided, however, that any such acquisition shall be structured to avoid any assumption of liability by a Party;
12. for the purposes of renting space for SBRHT to operate, to lease to, and to lease from, a Party or any other person or entity, lands, structures, real or personal property, rights, rights-of-way, franchises, easements, and other interests in real or personal property which SBRHT determines are necessary or convenient in connection with the accomplishment of the purposes of this Agreement;
 13. to solicit charitable contributions from private sources;
 14. to acquire, hold or dispose of property, contributions and donations of property, funds, services and other forms of assistance from persons, firms, corporations and government entities;
 15. to partner with Parties on funding solicitations and other opportunities for the purposes set forth in this Agreement, including but not limited to jointly exercising powers with a Party pursuant to the Joint Exercise of Powers Act;
 16. to authorize and issue bonds, certificates of participation, or other debt instruments; provided, however, that any such debt shall be payable solely from funds and revenues of SBRHT and shall not constitute a debt, liability, or obligation of any Party, and no such debt shall be secured by or payable from any tax, assessment, fee, or other revenue of a Party unless approved by that Party's governing body and in compliance with all applicable legal requirements, including any voter approval required by law;
 17. to propose amendments to this Agreement;
 18. to the extent not herein specifically provided for, to exercise any and all other powers as may be provided for SBRHT in the Joint Exercise of Powers Act or any other applicable law; and
 19. to carry out and enforce all the provisions of this Agreement.
- (c) Limitation on Powers. This Agreement does not authorize SBRHT to do any of the following:
1. Regulate land use, zoning, or development approvals within the jurisdiction of any Party;

2. Levy, or advocate or incentivize the levying of, an exaction, including an impact fee, charge, dedication, reservation or tax assessment, as a condition of approving the funding for or approval of a development project;
3. Require or incentivize inclusionary zoning requirements;
4. Require the Parties to dedicate or assign funding for any SBRHT obligations or programs;
5. Fund or approve a housing project or program that is not supported by the governing body of the jurisdiction (a city or the county) in which the proposed project is sited, nor shall the SBRHT commit or expend funds for such a project or program within a Party's jurisdiction unless and until such project or program has been approved by the governing body of that Party, with the exception of expenditures for services requested by a Party's staff for the purpose of evaluating the viability of potential housing projects or programs within the Party's jurisdiction;
6. Require the Parties to accept or provide any number of housing units as a prerequisite to joining or remaining a member of SBRHT; and
7. Affect the individual power of each Party separately to implement affordable housing projects and programs generated within its jurisdictional boundaries.

Section 4. Members

The members of SBRHT shall be the Parties to this Agreement, and such other public agencies as may join SBRHT after execution of this Agreement. New members may join on the terms and conditions set forth in Section 10 hereof. Only the County of Los Angeles and cities within the jurisdiction of the South Bay Cities Council of Governments may be a party to this Agreement and a member of SBRHT. The SBRHT bylaws may provide for affiliate memberships or other categories of membership for eligible entities which do not want to be full members.

Section 5. Board of Directors

(a) Selection of Directors. SBRHT shall be governed by a Board of Directors selected as follows:

1. One elected official from each Party to this Agreement, appointed by that Party's governing body and ratified by the governing board of the South Bay Cities Council of Governments. Each Party may also appoint one of its elected officials as an Alternate Director, who may serve in the absence of the Party's appointed Director. The elected official from the County of Los Angeles must be from a Board of Supervisors District that is located wholly or partially within the territory of the South Bay Cities Council of Governments.

2. Two Directors that are experts in homelessness or housing policy appointed by the South Bay Cities Council of Governments City Managers Committee and ratified by the governing board of the South Bay Cities Council of Governments.
- (b) Board Powers. Subject to the limitations of this Agreement and the laws of the State of California, the powers of SBRHT shall be vested in and exercised by, and its property and its affairs administered by, the Board of Directors.
- (c) Advisory Bodies. The Board of Directors may appoint advisory bodies that may include such persons as are designated by the Board of Directors. The Board of Directors shall adopt bylaws that govern the appointment of advisory bodies should it determine in its discretion to appoint such advisory bodies.
- (d) Compensation. Members of the Board shall serve without compensation but shall be entitled to reimbursement for any expenses actually incurred in connection with serving as Director; provided such expenses have been previously approved by the Board of Directors and incurred in accordance with any SBRHT policies or procedures governing the same.
- (e) Term. Members of the Board shall serve for a two-year term. There is no limit to the number of consecutive terms members may serve. In the event of a vacancy, the Party whose appointee has vacated the position shall appoint a replacement within 60 days of the effective date of the vacancy, subject to ratification by the governing board of the South Bay Cities Council of Governments. The replacement will serve out the remainder of the term of the Director that they replaced. The two Directors that are experts in homelessness or housing policy may be removed with or without cause at any time by a majority vote of the Board of Directors.
- (f) Meetings of the Board of Directors.
1. Call, Notice and Conduct of Meetings. All meetings of the Board of Directors, including without limitation, regular, adjourned regular, special meetings and adjourned special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act, Government Code sections 54950 *et seq.*
 2. Regular Meetings. Regular meetings of the Board of Directors shall be held at such dates and times as the Board may fix by resolution from time to time. If any day so fixed for a regular meeting shall fall upon a legal holiday, then such regular meeting shall be held on the next succeeding business day at the same hour, unless otherwise determined by the Board. No notice of any regular meeting of the Board of Directors need be given to the individual Directors.
 3. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the Chairperson of the Board or by a majority of the Directors. Notice of special meetings shall be provided to all Parties.

4. Quorum. A majority of the seated members of the Board of Directors shall constitute a quorum at any meeting of the Board except that less than a quorum may adjourn a meeting to another time and place. Unless otherwise provided in this Agreement, actions and decisions of the Board of Directors may be taken by a majority of the quorum present at any meeting.
5. Minutes. The Board of Directors shall cause minutes of all regular, adjourned regular, and special meetings to be kept and presented to the Board for approval at a subsequent meeting.
6. Officers. The Board of Directors shall elect a chairperson and a vice chairperson from among its Directors at the first meeting held in each calendar year. In the event that the chairperson or vice chairperson so elected ceases to be a Director, the resulting vacancy shall be filled at the next regular meeting of the Board of Directors held after such vacancy occurs or at a special meeting called for that purpose. In the absence or inability of the chairperson to act, the vice chairperson shall act as chairperson. The chairperson, or in the chairperson's absence, the vice chairperson, shall preside at and conduct all Board of Director's meetings.
7. Rules and Regulations. The Board of Directors may adopt, from time to time, by resolution, such rules, regulations, and bylaws for the conduct of its meetings and affairs as the Board determines is necessary or convenient.

Section 6. Staff and Treasurer

(a) Staff

1. SBRHT may contract with a Party or the SBCCOG for staff pursuant to Section 6(d), hire its own employees, or retain independent contractors, agents, or volunteers as the Board of Directors may deem necessary to carry out any of SBRHT's powers, upon such terms and conditions as the Board may require, including the retaining of professional and technical assistance, provided that adequate funds are available in SBRHT's budget and are appropriated by SBRHT therefor.
2. None of the officers, agents, or staff, if any, directly contracted by SBRHT shall be deemed, by reason of their roles or duties or contracted status, to be employed by the Parties.

- (b) Treasurer and Auditor/Controller. Pursuant to Government Code Sections 6505.5 and 6505.6, the Board of Directors shall appoint an officer or employee of SBRHT, or an officer or employee of a public agency that is a Party, or a certified public accountant to hold the offices of treasurer and auditor for SBRHT. Such person or persons shall possess the powers of and shall perform the treasurer and auditor functions for SBRHT required by Sections 6505, 6505.5 and 6505.6 of the Government Code, including any subsequent amendments thereto. Pursuant to Government Code Section 6505.1, the auditor and treasurer shall have charge of certain property of SBRHT. The treasurer and auditor shall assure that there shall

be strict accountability of all funds and reporting all receipts and disbursements of SBRHT. The treasurer and auditor of SBRHT shall be required to file an official bond with the Board of Directors in an amount which shall be established by the Board. Should the existing bond or bonds or any such officer be extended to cover the obligations provided herein, said bond shall be the official bond required herein. The premiums on any such bonds attributable to the coverage required herein shall be an appropriate expense of SBRHT.

(c) Attorney. The Board of Directors shall have the power to appoint one or more legal advisors to SBRHT who shall perform such duties as may be prescribed by the Board.

(d) Administrative Services and Reimbursement of Costs.

1. The Board of Directors may contract with a Party to provide necessary administrative services to SBRHT, including the services described in Section 6(a), (b) and (c). The amount charged by the Party to provide such services to SBRHT shall be fixed by agreement between the Board of Directors and the governing body of the Party providing such services. In the absence of an agreement on costs, the Party providing services to SBRHT under this Section 6 may charge SBRHT the amounts necessary to recover the direct and indirect costs of such services.
2. If SBRHT contracts with a Party to provide SBRHT with administrative services through persons who are employees and officers of the Party, then any retirement liabilities associated with that Party's employees and officers shall not constitute a liability of SBRHT or any other Party. This Section 6(d)(2) shall not preclude a Party providing administrative services to SBRHT pursuant to a contract with SBRHT from accounting for such salary and benefit costs when negotiating the rates that the Party will charge SBRHT for providing such services.

Section 7. Financial Provisions

(a) Fiscal Year. The Fiscal Year of SBRHT shall, unless and until changed by the Board of Directors, commence on the 1st day of July of each year and shall end on the 30th day of June of the next succeeding year except that the initial Fiscal Year of SBRHT shall commence on the Effective Date and end on the immediately following 30th day of June.

(b) Budget.

1. General Budget. Within one hundred and twenty days (120) after the first meeting of the Board of Directors, a general budget for the first fiscal year shall be adopted by the vote of a majority of the total membership of the Board of Directors. The budget shall distinguish between administrative costs (i.e., the cost of operating SBRHT) and Program costs (i.e., the financing of the programs funded or sponsored by SBRHT). Thereafter, at or prior to the last meeting of the Board of Directors for each fiscal year, a general

budget shall be adopted for the ensuing fiscal year or years by a vote of at least a majority of the total membership of the Board.

2. Expenditures for the Approved Budget. The payment of all SBRHT obligations is limited to the amount of appropriations allowed in SBRHT's approved budget, except as it may be revised with the approval of a majority of the total membership of the Board of Directors.

(c) Contributions by the Parties.

1. Administrative Cost Contributions. In consideration of the mutual promises contained herein, the Parties agree that they shall make annual contributions (each a "Fee" and collectively the "Fees") towards the budgeted administrative costs of SBRHT as set forth in a duly adopted Board resolution. The Fees shall be assessed annually. After the first fiscal year, the Fees shall increase annually in an amount equal to the U.S. Bureau of Labor Statistics consumer price index for all urban consumers in the Los Angeles-Long Beach-Anaheim area for the 12-month period preceding the year the Fees are assessed. Payment of the Fees shall be due within 30 days of receipt of an invoice from the SBRHT. The invoice shall indicate how the Fees were calculated. A Party's contribution to SBRHT's administrative costs shall be in the form of money, unless the Board of Directors approves another form of contribution such as services, personal property or use of real or personal property, or other in-kind contributions. The acceptance and valuation of any such non-monetary contributions may be used to offset in whole or part a Party's contribution as determined in the sole and absolute discretion of the Board of Directors. Notwithstanding the above, after the first fiscal year the Board of Directors may establish Fees in an amount the Board of Directors deems financially prudent.
2. Program Cost Contribution. The particular programs and program budget, funded, sponsored or operated by SBRHT, as well as the level of and mechanisms for the involvement of SBRHT and each Party, in such programs and program budget, shall be determined and approved by the Board of Directors.

(d) Accounts and Reports.

1. Books and Records. There shall be strict accountability of all SBRHT funds and accounts and report of all SBRHT receipts and disbursements. Without limiting the generality of the foregoing, SBRHT shall establish and maintain such funds and accounts as may be required by good government accounting practice. The books and records of SBRHT shall be open to inspection at all reasonable times by each Party and its duly authorized representatives.
2. Annual Audit. The person appointed by the Board of Directors to perform the auditor function for SBRHT shall cause an annual independent audit of the accounts and records of SBRHT and records to be made by a certified public accountant or firm of certified

public accountants in accordance with Government Code section 6505. Such audits shall be delivered to each Party and shall be made available to the public.

3. Annual Financial Report. Pursuant to section 6539.9(d) of the Government Code, SBRHT shall publish an Annual Financial Report that shall describe the funds received by SBRHT and the use of such funds by SBRHT. The Annual Financial Report shall describe how the funds received by SBRHT have furthered the purposes of SBRHT.

- (e) Funds. Subject to the applicable provisions of any instrument or agreement which SBRHT may enter into, which may provide for a trustee or other fiscal agent to receive, have custody of and disburse SBRHT funds, the person appointed by the Board of Directors to perform the treasurer function for SBRHT shall receive, have the custody of and disburse SBRHT funds as nearly as possible in accordance with generally accepted accounting principles, shall make the disbursements required by this Agreement in order to carry out any of the provisions or purposes of this Agreement.

Section 8. Amendments.

- (a) This Agreement may be amended or modified with the approval of two-thirds of all the Parties through formal action approving such an amendment by the Parties' respective governing bodies.
- (b) No addition to, or alteration of, the terms of this Agreement, whether by written or oral understanding of the Parties, their officers, employees or agents, shall be valid or effective unless made in the form of a written amendment which is formally adopted and executed by the Parties as provided in subparagraph (a) of this Section.

Section 9. Non-Liability for Obligations of SBRHT.

- (a) The debts, liabilities, and obligations of SBRHT shall not be considered the debts, liabilities and obligations of any of the Parties or their respective officers, employees, agents or volunteers, or the personal debts, liabilities and obligations of the Directors, officers or employees of SBRHT.
 1. Indemnification. The SBRHT shall defend, indemnify and hold harmless each Party, its officials, officers, agents, employees, representatives and volunteers (the "Indemnitees") from and against any loss, injury, claim, lawsuit, liability, expense, or damages of any kind or nature (collectively, "Claims") brought by a third party which arises out of or in connection with SBRHT's administration of this Agreement, including such third party claims arising out of or in connection with any Indemnitees acting within their authorized capacity as an officer, agent, employee, representative or volunteer of SBRHT. The SBRHT's duty to defend and indemnify under this Section shall not extend to Claims otherwise arising out of the Indemnitees' own active negligence or willful misconduct, whether in whole or part. The SBRHT shall finance its obligation pursuant to this Subsection by establishing a liability reserve fund, and/or by purchasing commercial insurance, and/or by joining a joint powers insurance authority (JPIA) as

determined by the Board. In the event the SBRHT's financial obligations to indemnify, defend and hold harmless, pursuant to this Subsection, exceed the liability reserve fund and/or the proceeds from any applicable insurance and/or JPIA coverage maintained by the SBRHT (hereinafter "Unfunded Liability"), a Party or Parties may meet and confer with SBRHT in good faith to negotiate alternative means or mechanisms by which SBRHT may fund such Unfunded Liability; however, in no event shall the event of an Unfunded Liability relieve, limit or waive SBRHT's obligations of indemnity or defense to each Party as first set forth above in this Section. Nothing herein shall obligate any Party to indemnify or hold harmless SBRHT for any Unfunded Liability.

2. Assignment. To the extent SBRHT has satisfied its obligations to defend and indemnify a Party under this Section, such Party shall cooperate with SBRHT in the pursuit of recovery of damages for Claims arising out of this Agreement from any third party, provided that nothing herein shall require a Party to assign or waive any legal rights, compromise its insurance coverage, or relinquish control over its claims without its express written consent.
3. Survival. SBRHT's duty to defend, indemnify and hold harmless shall survive and continue in full force and effect after withdrawal of any Party from this Agreement, including as to the withdrawing Party, or termination of this Agreement for any reason with respect to any Claims that occurred before the date of such withdrawal or termination.

Section 10. Admission and Withdrawal of Parties.

- (a) Admission of New Parties. It is recognized that additional public agencies other than the original Parties, may wish to join SBRHT after the Effective Date. The County of Los Angeles and any city within the SBCCOG may become a Party to SBRHT upon such terms and conditions as are established by the Board of Directors. As a condition precedent to becoming a Party more than six months after the Effective Date, an eligible entity may thereafter become a Party to this Agreement; provided that (1) this Agreement is adopted by its governing body and (2) the eligible entity pays a late joining fee. The late joining fee shall be calculated by totaling the annual fee the eligible entity would have paid under this Agreement had it been a Party in all years prior and up until the Effective Date. Notwithstanding the foregoing, an eligible entity's late joining fee shall not exceed two times the amount of the applicable annual administrative fee existing at the time it becomes a Party. Payment shall be due within 30 days of receipt of an invoice from SBRHT.
- (b) Withdrawal from SBRHT. A Party may withdraw from SBRHT at any time upon its governing body's adoption of a resolution stating the Party's intent to withdraw from SBRHT and written notice of withdrawal accompanied by an executed copy of the resolution of intent to the SBRHT. The withdrawal of any Party, unless otherwise provided by the Board of Directors, shall be subject to the following prerequisites and conditions:

1. The withdrawal shall be effective immediately upon receipt by the SBRHT of the written notice of withdrawal, subject to subsection (2) below.
2. If the withdrawal notice is received by the SBRHT less than ninety (90) days before the start of a fiscal year or after the commencement of a fiscal year but before payment of that year's Section 7(c) contribution, the withdrawal shall not be effective unless and until the withdrawing Party has fully paid that fiscal year's contribution; otherwise, the notice of withdrawal shall be null and void.
3. Unless otherwise provided by a unanimous vote of the Board of Directors, withdrawal shall result in the forfeiture of that Party's rights and claims relating to distribution of property and funds upon termination of SBRHT as set forth in Section 2 above. Withdrawn members shall not be entitled to any reimbursement of Fees.
4. Withdrawal of a Party will not relieve that Party of prior financial obligations of liabilities unless otherwise approved by the Board.

Section 11. Notices.

- (a) Notices required or permitted hereunder shall be sufficiently given if made in writing and delivered either personally or by registered or certified mail, postage prepaid, to the persons and entities listed at the addresses set forth in Exhibit A, or to such other address as may be designated in writing to SBRHT for formal notice.

Section 12. Miscellaneous.

- (a) Section Headings. The section headings herein are for convenience only and are not to be construed as modifying or governing or in any manner affecting the scope, meaning or intent of the provisions or language of this Agreement.
- (b) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Agreement.
- (c) Laws Governing. This Agreement is made in the State of California under the Constitution and laws of such State and shall be construed and enforced in accordance with the laws of California.
- (d) Severability. Should any part, term, portion or provision of this Agreement, or the application thereof to any person or circumstance, be held to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual it shall be deemed severable, and the remainder of this Agreement or the application thereof to other persons or circumstances shall continue to constitute the Agreement the Parties intended to enter into in the first instance.

(e) Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the respective Parties. No Party may assign any right or obligation hereunder without the written consent of a majority of the other Parties.

Section 13. Sunset Date.

In the event that a source of funding is not identified and funding not obtained to cover SBRHT's administrative costs on or before December 31, 2026, this Agreement will on that date expire automatically and be null and void without further action of the Parties.

IN WITNESS THEREOF, the Parties hereto have caused this Agreement to be executed and attested by their duly authorized officers as follows:

CITY OF

Mayor

Date

ATTEST:

City Clerk

Date

APPROVED AS TO FORM:

City Attorney

Date

EXHIBIT A

Parties to this Agreement and their Addresses for notice pursuant to Section 11 are as follows: