

To: Administration & Finance Committee

Date: April 29, 2026

From: Andrew M. Smith, Director of Planning & Marketing

Reviewed by: *Ref*

SUBJECT: AHSC Implementation and Cooperation Agreement for Route 4

Background:

County Connection partnered with the City of Walnut Creek and Resources for Community Development (RCD) on an Affordable Housing and Sustainable Communities (AHSC) Grant for the Civic Crossing project, a new affordable housing development at 699 Ygnacio Valley Road. The grant was awarded in April 2024 and provides funding for several transit-related improvements, including operating funds to restore 15-minute frequency on Route 4 (the “Downtown Trolley”) on weekdays from 7 a.m. to 9 p.m. The grant provides County Connection with a total of \$4.15 million over the course of approximately five years for the expanded service on Route 4.

Implementation and Cooperation Agreement:

The “AHSC Implementation and Cooperation Agreement” (Attachment 1) specifies the level of additional service provided on Route 4 and the payment structure whereby County Connection will be reimbursed for the related costs. Reimbursements will be provided annually based upon County Connection’s marginal operating costs.

Financial Implications:

The costs associated with operating the additional service are fully covered by the grant, which will fund these expenses for approximately five years. These revenues and associated expenditures were incorporated into the Fiscal Year 2027 Draft Budget that was presented to the Administration and Finance Committee at last month’s meeting.

Recommendation:

Staff recommends the Administration and Finance Committee authorize the General Manager to enter into contract with RCD on behalf of County Connection to accept grant funding paying for increased service on Route 4.

Action Requested:

Staff requests the Administration and Finance committee forward the AHSC Implementation and Cooperation Agreement to the Board of Directors for approval.

Attachments:

Attachment 1: AHSC Implementation and Cooperation Agreement

AHSC IMPLEMENTATION AND COOPERATION AGREEMENT

This AHSC IMPLEMENTATION AND COOPERATION AGREEMENT (Agreement) is entered into effective this ____ day of _____, 2026, between the CENTRAL CONTRA COSTA TRANSIT AUTHORITY (“CCCTA”), a joint exercise of powers entity created, existing and in good standing under California Government Code Sections 6500, et seq., and the RESOURCES FOR COMMUNITY DEVELOPMENT (“RCD”), a California non-profit.

RECITALS

THE PARTIES ENTER THIS AGREEMENT on the basis of the following facts, understandings and intentions:

- A. The State of California, the Strategic Growth Council (“SGC”) and the Department of Housing and Community Development (“HCD”) issued a Notice of Funding Availability dated January 19, 2024 (the “AHSC NOFA”), under the Affordable Housing and Sustainable Communities (“AHSC”) Program established under Division 44, Part 1 of the Public Resources Code, commencing with Section 75200.
- B. RCD was awarded an AHSC grant for mixed-use affordable housing development located at 699 Ygnacio Valley Road, Walnut Creek, CA 94596.
- C. RCD executed a Standard Agreement (STD 213, Rev. 4/2020, Agreement Number 23-AHSC-17966) (“Standard Agreement”) with HCD.
- D. The Standard Agreement includes a Sustainable Transportation Infrastructure (STI) project to restore and increase service frequency on CCCTA's Route 4.
- E. RCD will make payment to CCCTA for the implementation of service frequency increases on CCCTA's Route 4 (the “STI Work”).
- F. CCCTA is a non-applicant for the AHSC award but is committing to perform the STI Work, subject to the terms and conditions of this Agreement and the Standard Agreement.
- G. In consideration of the faithful performance of the terms and conditions set forth below, CCCTA and RCD agree that the undertaking described in this Agreement shall be implemented in accordance with the following.

1. **TERM**

- a. **Term:** This Agreement is subject to formal approval by the CCCTA Board of Directors at its meeting on _____. If approved, the Agreement will commence on _____, and remain in effect until terminated in accordance with this Agreement.

2. **CCCTA RESPONSIBILITIES**

- a. *Minimum Level of Service.* CCCTA shall provide a minimum level of service of three trips an hour on weekdays between 7:00 am and 8:30pm at its sole cost and expense.

- b. *Additional Service Hours*: CCCTA will operate increased service levels to increase Route 4 weekday frequency from 20 to 15 minutes between 7:00 AM and 9:00 PM (one additional bus per hour) and extend service from 8:30 PM to 9:00 PM. ("Additional Service Hours.") The Additional Service Hours are scheduled to become operationally effective on March 29, 2026.
- c. *Invoices*: CCCTA will submit invoices to RCD on an annual basis for reimbursement of Additional Service Hours costs in a form acceptable to RCD. The hourly rate for Additional Service Hours is set at \$175.43 for Calendar Year 2026. The hourly rate for Additional Service Hours will be adjusted annually on January 1, based on the change in marginal operating cost per hour from the previous fiscal year (ending June 30).
Holidays: Service will not operate on New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day or Christmas Day. CCCTA shall be responsible for paying all costs required for the STI Work irrespective of whether such costs exceed the portion of the AHSC grant designated for the STI Work.
- d. *Fare Structure*: CCCTA currently operates fare-free service on Route 4. CCCTA retains full discretion to revise fare structures as necessary. Should the route cease to be fare-free, CCCTA reserves the right to retain all fare revenue to support Route 4 operations.
- e. *Indemnification*: CCCTA acknowledges if the STI Work is not completed within the schedule of performance deadlines, as such dates may be extended by HCD, and otherwise in accordance with the AHSC Standard Agreement, RCD is at risk of having negative points assessed by HCD, loss of funding of AHSC grant and/or AHSC loan funds and the recapture of previously disbursed AHSC grant or AHSC loan funds, among other consequences. CCCTA shall indemnify, defend, and hold harmless RCD, its officers, directors, employees, agents, and volunteers from and against any and all liability, loss, expense (including attorneys' fees), or claims for injury or damages arising out of its performance under this Agreement, or its failure to comply with any of its obligations contained herein, except such loss or damage which was caused by the negligence or willful misconduct of RCD.
- f. *Monitoring Performance and Reporting*: CCCTA will monitor the performance of Route 4 quarterly in accordance with its customary practice for reviewing fixed route service, and meet with the RCD as needed. CCCTA shall provide RCD ridership and performance reports and such other information as needed for RCD to comply with the terms and conditions of RCD's funding sources. CCCTA and RCD shall mutually agree upon a format and the content of such reports, and the frequency with which the reports shall be provided to RCD
- g. *Financial Records*: CCCTA shall maintain true and complete records in connection with the service and all transactions related thereto, and shall retain all such records for at least thirty-six (36) months after the end of the calendar year in which the service is performed or such longer period as may be required by HCD. RCD may from time to time and at any time during the foregoing period of record retention make an audit of all records of

CCCTA relating to the service; but only for the purpose of assessing the accuracy of reports or information received from CCCTA.

3. RCD Responsibilities

- a. RCD will process invoices submitted by CCCTA and shall issue a reimbursement payment to CCCTA within thirty (30) days following receipt of the AHSC grant funds from HCD. The total payments will not exceed \$4,154,266 under this Agreement. RCD will have no obligation to pay for any work until the Disbursement Agreement has been executed and HCD disburses portions of the AHSC funds to RCD for payment to CCCTA.
- b. RCD shall indemnify, defend, and hold harmless CCCTA, its officers, directors, employees, agents, and volunteers from and against any and all liability, loss, expense (including attorneys' fees), or claims for injury or damages arising out of its performance under this Agreement or its failure to comply with any of its obligations contained herein, except such loss or damage which was caused by the negligence or willful misconduct of CCCTA.

4. Notices: Any notices which may be required under this Agreement shall be in writing, effective when received and given electronically, or by personal service, or by certified or registered mail to the following. Until notified otherwise in writing, CCCTA shall send or deliver all such communications relating to this Agreement to the following address:

Resources for Community Development
Attention: Daniel Sawislak, Executive Director
2220 Oxford Street
Berkeley, CA 94704

And, RCD shall send all such communications to the following address:

Central Contra Costa Transit Authority
Attention: Andrew M. Smith, Director of Planning and Marketing
2477 Arnold Industrial Way
Concord, CA 94520

5. TERMINATION OF AGREEMENT:

- a. This Agreement shall terminate upon the earlier of: (i) completion of all obligations under the AHSC grant documents; or (ii) mutual agreement of the parties hereto.
- b. As of the effective date of termination, CCCTA shall be released from any obligations under this Agreement.

6. SEVERABILITY: Should any part of this Agreement be declared unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect

the validity of the remainder of this Agreement, which shall continue in full force and effect; provided that, the remainder of this Agreement can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the parties.

7. HEADINGS: The descriptive headings used in this Agreement are for convenience only and shall not control or affect the meaning or construction of any of its provisions.
8. WAIVER: No waiver by either party of any default or breach of any covenant by the other hereunder shall be implied from any omission to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the waiver and then said waiver shall be operative only for the time and to the extent therein stated. Waivers of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. No waiver of any provision under this Agreement shall be effective unless in writing and signed by the waiving party.
9. ASSIGNMENT: This Agreement shall not be assigned to any third party.
10. DISPUTES: Any disputes arising under this Agreement between the parties shall be resolved by the Executive Director for RCD, and the General Manager for CCCTA, or their designees. If RCD and CCCTA are unsuccessful in informally resolving any dispute, the parties shall attempt to mediate the dispute by a mediator jointly selected by the parties before initiating any litigation. Such mediation may be requested by either party and shall be performed within 60 days of the request, unless extended by mutual agreement. The obligation to mediate shall be terminated if the parties are unable to mutually agree upon a mediator. The parties shall equally bear the costs of any third-party alternative dispute resolution process.
11. CONTROLLING LAW: This Agreement and all matters relating to it shall be governed by the laws of the State of California.
12. AUTHORITY: All parties executing this Agreement represent and warrant that they are authorized to do so.

[Signatures on next page]

IN WITNESS WHEREOF, the parties have hereunto set their hands the date and year first above written.

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

By: Bill Churchill, General Manager

Date: _____

APPROVED AS TO FORM:

By: Julie Sherman, Legal Counsel
Hanson Bridgett LLP

RESOURCES FOR COMMUNITY DEVELOPMENT

By: Daniel Sawislak

Date: _____