

**MANAGEMENT TRANSITION ADDENDUM TO
AGREEMENT FOR PROPERTY MANAGEMENT SERVICES**

THIS ADDENDUM TO AGREEMENT FOR PROPERTY MANAGEMENT SERVICES (this “**Addendum**”), dated as of _____, 2023, is attached to and made part of the foregoing Agreement for Property Management Services (the “**Agreement**”) entered into as of even date herewith by and between the PALM DESERT HOUSING AUTHORITY, a public body, corporate and politic (the “**Authority**” or “**PDHA**”), and Falkenberg/Gilliam and Associates, Inc., a California corporation (the “**Manager**” or “**FGA**”), and supplements the Agreement as follows:

1. To enable a smooth transition of property management responsibilities from RPM Company (“**RPM**”), the current property manager, to FGA, the Parties hereby enter into this Addendum to allow FGA to complete the following tasks prior to the Effective Date of the Agreement (i.e., January 1, 2024), during the period beginning November 16, 2023, and ending December 31, 2023 (collectively, the “**Transition Period**”):
 - a. Personnel Evaluation: Meet and evaluate all the current office and maintenance staff for the Properties; gather all necessary information regarding existing issues at the Properties requiring the attention of FGA; conduct background checks of RPM staff who will be seeking employment with FGA at the Properties, in accordance with state and federal law; and, at the discretion of FGA and with the approval of PDHA pursuant to Section 16(a) of the Agreement, hire any RPM employees currently working at the Properties to serve as FGA employees.
Cross Training: Conduct thorough training of all current RPM employees who will be hired as FGA employees on all applicable FGA policies and procedures, including without limitation on
 - b. The use of software tools and work order tablets.
 - c. Assistant Regional Supervisor: Allow the FGA Regional Supervisor, along with the FGA Assistant Regional Supervisor, who shall oversee FGA operations at the Properties, to walk all Properties, and meet with all PDHA staff members working onsite at the Properties.
 - d. Meetings: Participate in weekly property management meetings with PDHA and RPM, and monthly City of Palm Desert Housing Commission meetings.
 - e. Deep Knowledge: Familiarize the FGA Regional Supervisor and FGA Assistant Regional Supervisor on all current and upcoming projects and maintenance items for each Property, and all resident-related issues (including, without limitation, legal suits brought by tenants or former tenants) that are in process.
 - f. Staff Onboarding: Onboard all staff members through FGA human resource programs, including, without limitation, with respect to payroll, benefits, health and dental insurance programs.

- g. PDHA Systems: Set up PDHA management and operations systems, including without limitation with respect to accounting, finance, occupancy, resident relations, maintenance, computer systems, and tablet training for all maintenance staff.
2. As compensation for FGA's work during the Transition Period, the Authority shall, in total, pay FGA a one-time sum of Fifty-Three Thousand Four Hundred Ten and No/100 Dollars (\$53,410.00) on or before January 20, 2024.
 3. If FGA or any of its agents, employees, consultants, contractors or subcontractors enter the Properties during the Transition Period, then such entry shall be subject to all of FGA's obligations regarding indemnity and insurance under the Agreement. Anything herein to the contrary notwithstanding, neither FGA nor any of its approved contractors shall be permitted to access the Properties, or any part thereof, during the Transition Period unless and until FGA has provided to PDHA the necessary insurance certificate(s) evidencing that FGA has procured and is maintaining the insurance policies and coverages required to be maintained by FGA pursuant to the terms of this Addendum.

[Signature Page to Follow]

THIS ADDENDUM was entered the ____ day of _____ 2023.

Authority:

PALM DESERT HOUSING AUTHORITY,
a public body, corporate and politic

Manager:

FALKENBERG/GILLIAM AND
ASSOCIATES, INC.,
a California corporation

By: _____,
Chairman

By:

ATTEST:

_____,
City Clerk

Title:

By:

APPROVED AS TO FORM:

Title:

Special Counsel
