

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

229



FROM: DEPARTMENT OF PUBLIC SOCIAL SERVICES

SUBMITTAL DATE:
June 23, 2009

**SUBJECT: HOUSING AND URBAN DEVELOPMENT GRANT AGREEMENT—
HOUSING AUTHORITY OF RIVERSIDE COUNTY (HU 3917-00)**

RECOMMENDED MOTION: That the Board of Supervisors approve and:

1. Authorize the Chairman of the Board to sign the attached Grant Agreement between DPSS and the U.S. Department of Housing and Urban Development for the attached Shelter Plus Care Grant for \$1,134,900 from five years from operation start date;
2. Authorize the Chairman of the Board to sign the attached contract HU 3917-00, between DPSS and the Housing Authority of Riverside County;
3. Authorize the Purchasing Agent to sign ministerial amendments with the Housing Authority, not to exceed the maximum amount of the Grant Agreement (\$1,134,900); and
4. Authorize the Director of DPSS to administer the agreement with Housing Authority.

(CONTINUED – 2 pages in total)

Susan Loew
Susan Loew, Director

| | | | | |
|-----------------------|-------------------------------|------------|-------------------------|-------|
| FINANCIAL DATA | Current F.Y. Total Cost: | \$ 226,980 | In Current Year Budget: | Yes |
| | Current F.Y. Net County Cost: | \$ 0 | Budget Adjustment: | No |
| | Annual Net County Cost: | \$ 0 | For Fiscal Year: | 08/09 |

| | | |
|--|---|-------------------------------------|
| SOURCE OF FUNDS: 100% Federal Funds—HUD Shelter Plus Care Program | Positions To Be Deleted Per A-30 | <input type="checkbox"/> |
| | Requires 4/5 Vote | <input checked="" type="checkbox"/> |

C.E.O. RECOMMENDATION: APPROVE
BY: *Debra Courmoyer*
Debra Courmoyer
County Executive Office Signature

| | | | | | |
|-----------------|--------------------------|---------|--------------------------|--------|-------------------------------------|
| Dep't Recomm.: | <input type="checkbox"/> | Consent | <input type="checkbox"/> | Policy | <input checked="" type="checkbox"/> |
| Per Exec. Ofc.: | <input type="checkbox"/> | Consent | <input type="checkbox"/> | Policy | <input checked="" type="checkbox"/> |

FORM APPROVED COUNTY COUNSEL
BY: *Larisa R-Mckenna*
DATE: 6/27/09
LARISA R-MCKENNA

Robert Howdyshell
Robert Howdyshell, Director
Departmental Concurrence

PURCHASING & FLEET SERVICES:

Dep't Recomm.:

Per Exec. Ofc.:

TO: BOARD OF SUPERVISORS

DATE: June 23, 2009

**SUBJECT: HOUSING AND URBAN DEVELOPMENT GRANT
AGREEMENT—HOUSING AUTHORITY OF
RIVERSIDE COUNTY**

BACKGROUND:

On May 22, 2007 (Agenda Item 3.32), the Board authorized DPSS to submit an application for Homeless Assistance funds to the U.S. Department of Housing and Urban Development, which included the Shelter Plus Care (S+C) Program operated by the Housing Authority. The goal of this new 23-unit, 23-bed project is to provide tenant based rental assistance for chronically homeless, severely mentally ill persons of Riverside County.

HUD approved the attached Shelter Plus Care project as part of the 2007 Continuum of Care Consolidated Application. HUD awarded the project to DPSS in the amount of \$1,134,900.

DPSS received the Grant Agreement on April 29, 2008. HUD will execute the attached agreement upon the Board's approval and signature.

FINANCIAL DATA:

No County General Funds are required.

CONCUR/EXECUTE: County Purchasing

ATTACHMENTS:

1. Grant Agreement (3 copies) between the County of Riverside and Housing and Urban Development
2. Contract between DPSS and Housing Authority of Riverside County

SL: mr

**RIVERSIDE COUNTY
DEPARTMENT OF PUBLIC SOCIAL SERVICES
SUPPORTIVE HOUSING PROGRAM AGREEMENT**

CONTRACT: HU 3917-00

PROJECT SPONSOR: HOUSING AUTHORITY OF RIVERSIDE COUNTY

ACTIVITIES: TENANT-BASED RENTAL ASSISTANCE FOR SEVERLY MENTALLY ILL HOMELESS PERSONS

AGREEMENT TERM: FIVE YEARS FROM OPERATION START DATE

AGREEMENT AMOUNT: \$1,134,900

HUD PROJECT NUMBER: CA16C708001

RECITALS


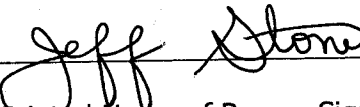
This Agreement is made and entered into by and between the County of Riverside, hereinafter referred to as "County," and the Housing Authority of Riverside County, hereinafter referred to as the "Project Sponsor."

WITNESSETH

WHEREAS, the County has entered into a grant agreement with the United States Department of Housing and Urban Development (HUD), hereinafter referred to as the "Grantor," pursuant to the Supportive Housing Program Rule (CFDA 14.235), codified as 24 CFR 583 and Subtitle C of Title IV of the Stewart B. McKinney Homeless Act, 42 U.S.C. 11381 et seq.; and

WHEREAS, the Department of Public Social Services, hereinafter referred to as "DPSS," has been designated by the County to provide coordination and administration of the County's Supportive Housing Program, as described in the County's grant agreement with the Grantor.

NOW THEREFORE, DPSS and the Project Sponsor do hereby covenant and agree that the Project Sponsor will provide said services in return for monetary compensation, all in accordance with the terms and conditions contained herein this Agreement.

| Authorized Signature for the Board: | Authorized Signature for Project Sponsor: |
|---|--|
|  |  |
| Printed Name of Person Signing: | Printed Name of Person Signing: |
| Jeff Stone | Jeff Stone |
| Title: Chairman, Board of Supervisors | Title: Chairman, Board of Commissioners |
| Address: 10281 Kidd Street Riverside, CA 92503 | Address: 5555 Arlington Avenue Riverside, CA 92504 |
| Date: JUN 23 2009 | Date: JUN 02 2009 |

ATTEST:

KECIA HARPER-IHEM, Clerk

By 
DEPUTY

FORM APPROVED COUNTY COUNSEL

BY 
MICHELLE CLACK

DATE
10.1 JUN 02 2009

HOUSING AUTHORITY OF RIVERSIDE COUNTY

SHELTER PLUS CARE

TENANT BASED RENTAL ASSISTANCE

TERMS AND CONDITIONS

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LIST OF EXHIBITS

EXHIBIT A – Contract Accounting and Administrative Handbook for HUD Funded Programs

AGREEMENT TERMS AND CONDITIONS

I. DEFINITIONS

As used in this Agreement, the following terms are defined below unless the context indicates otherwise.

- A. The term "Application" refers to the approved application and its submissions prepared by the Project Sponsor that is the basis on which HUD approved the grant.
- B. The term "Draw Down" refers to the wire transfer system called Line of Credit Control System - Voice Response System (LOCCS - VRS).
- C. The term "homeless" refers to someone who is sleeping in places not meant for human habitation, such as cars, parks, sidewalks, and abandoned or condemned building; or is sleeping in an emergency shelter. This may include a person who ordinarily sleeps in one or the above places but is spending a short time (30 days or less) in a hospital or other institution.
- D. The term "Participants" refers to someone who has a mentally ill disability that is expected to be of long-continued and indefinite duration, which substantially impedes his or her ability to live independently, and is of such a nature that the disability could be improved by more stable conditions.
- E. The term "Project" refers to permanent housing and supportive services for the purpose of facilitating the stability of homeless individuals.
- F. The term "Project Sponsor" or "Contractor" refers to the Housing Authority of Riverside County, the entity under agreement with DPSS to operate the project on a daily basis.
- G. The term "Shelter Plus Care Program" refers to the HUD grants program to promote the provision of permanent housing through tenant based rental assistance and supportive services to homeless individuals.

II. DPSS RESPONSIBILITIES

- A. DPSS shall assure that the services provided by the Project Sponsor comply with all applicable federal, state, county, and local government laws, rules, regulations, policies and procedures.
- B. DPSS shall assure that the services provided comply with guidelines and regulations cited in this Agreement.
- C. DPSS shall assign staff to serve as liaison and a program coordinator between DPSS and the Project Sponsor to provide the Project Sponsor with programmatic consultation and advise the Project Sponsor of all pertinent existing guidelines and regulations. Such staff shall provide, or arrange for the provision of, consultation and technical assistance to the Project Sponsor as needed.
- D. DPSS will assign staff to monitor the performance of the Project Sponsor in performing the terms, conditions, and specifications of this Agreement. DPSS, at its sole discretion, may monitor the performance of the Project Sponsor through any combination of the following

methods which may include, but are not limited to: 1) periodic reviews, including on-site visits; (2) evaluations of the quantity or level and quality of services provided by the Project Sponsor; (3) annual inspection of all available fiscal statements and other records maintained by the Project Sponsor; and (4) annual statements which the Project Sponsor is required to complete with respect to this Agreement.

III. PROJECT SPONSOR RESPONSIBILITIES

- A. The Project Sponsor shall be responsible for the overall administration of the Project, including providing permanent supportive housing for the mentally ill, overseeing all subcontracts, and keeping records and reports established for the purpose of carrying out the program in an effective and efficient manner. These records and reports must include racial and ethnic data on participants for program monitoring and evaluation process.
- B. The Project Sponsor shall comply with all requirements of this Agreement and accept responsibility for such compliance by any entities to which the Project Sponsor makes this grant funding available.
- C. The Project Sponsor shall comply with the policies and procedures in the Administrative Handbook, attached hereto as **EXHIBIT A**, and incorporated herein by this reference, and any and all laws applicable to the provision of services under this program.
- D. The Project Sponsor shall provide housing vouchers that is in compliance with all applicable state, federal, and local housing codes, licensing and/or permit requirements, and any other requirement under which the project is located.
- E. The Project Sponsor shall provide 11 (eleven) units of tenant-based rental assistance to mentally ill homeless persons, as permitted by the U.S. Department of Housing and Urban Development.
- F. The Project Sponsor shall assume responsibility for assuring that persons served under the terms of this Agreement meet the criteria specified in federal law for participants served under the Shelter Plus Care Program.
- G. The Project Sponsor shall participate in Riverside County's Homeless Information Management System (HMIS). Participation is defined by HMIS training attendance, complying with Riverside County HMIS security policies and procedures, and entering required client data on a regular basis.

IV. FISCAL PROVISIONS

A. OBLIGATION

1. The Project Sponsor shall be reimbursed by the United States Department of Housing and Urban Development through the County for an amount not to exceed \$1,134,900. Of this amount, up to 8% may be used for shelter plus care administrative activities.
2. Administration of housing assistance includes processing rental payments to landlords, examining participant income, inspecting units for compliance with housing quality standards, and receiving participants into the program. These costs must be paid out of the original grant amount. No additional funds will be provided to administer the housing

assistance. The payment shall constitute full and complete compensation for the Project Sponsor's services under this Agreement. Said funds shall be handled according to the budget shown below.

Line Item Budget

| | |
|---|---------------------|
| RENTAL ASSISTANCE | \$ 1,044,108 |
| SHELTER PLUS CARE ADMINISTRATIVE ACTIVITIES | \$ 90,792 |
| TOTAL | \$ 1,134,900 |

B. METHOD, TIME, AND CONDITION OF PAYMENTS

1. The Project Sponsor shall submit to DPSS a monthly claim in accordance with the Administrative Handbook, **EXHIBIT A**.
2. The Project Sponsor shall ensure that funds provided under this Agreement are not used to pay developer's fees, to establish working capital, or to operate deficit funds.
3. Match Documentation:
 - a. The Project Sponsor shall provide a value of Supportive Services match that is at least equal to the annual rental assistance value. The Project Sponsor will submit match documentation by completing Appendix 1 of EXHIBIT A at least quarterly. Additionally, match information will be provided to DPSS at least annually, EXHIBIT A, in Appendix 6 Annual Progress Report (APR). The following activities may count as match:
 - Salaries paid to Project Sponsor staff to provide supportive services to participants;
 - The value of supportive services provided to participants by other organizations or by professionals volunteering their professional services;
 - Supportive services provided by other volunteers (at the rate of \$10 per hour);
 - The prorated value of any lease on a building used for supportive services to program participants; and
 - The cost of outreach activities after the Agreement has been signed.
 - b. In the event that the Project Sponsor does not meet the requirement aforementioned in paragraph 3.a. above, DPSS reserves the right to suspend or terminate this Agreement.

C. DISBURSEMENT OF FUNDS

DPSS shall disburse funds under this Agreement to the Project Sponsor as follows:

1. Rental Assistance and Project Administrative Costs: The Project Sponsor shall submit claims to be drawn down for real property leasing on a monthly basis.
2. Eligible administrative costs include only those related to the administration of the housing assistance, which includes the following:
 - Receiving new participants into the program;
 - Providing housing information and search assistance;
 - Determining participant income and rent contributions;

- Inspecting units for compliance with Housing Quality Standards; and
- Processing rental payments to landlords.

Fifty percent (50%) of the funds are eligible for drawdown at any point during the grant period. The remaining 50% is reimbursable on the final claim if claims have been submitted on a monthly basis.

D. UNEXPENDED FUNDS AND CLOSE-OUTS

1. The Project Sponsor shall complete all necessary closeout procedures required by DPSS within a period of not more than forty-five (45) calendar days from the expiration date of this Agreement. This time period will be referred to as the financial closeout period. After the expiration of the financial closeout period, those funds not paid to the Project Sponsor under this Agreement shall be recaptured by HUD. DPSS is not liable for any expenses or costs associated with this Agreement after the expiration of the financial closeout period.
2. The Project Sponsor shall provide a final financial audit for activities performed under this Agreement at the expiration of the financial closeout period.

E. INSPECTION AND AUDITS

1. The Project Sponsor shall maintain auditable books, records, documents, and other evidence pertaining to costs and expenses in this Agreement. The Project Sponsor shall maintain these records for five (5) years after final payment has been made or until all pending DPSS, state, and federal audits, if any, are completed, whichever is later.
2. Authorized representatives of DPSS and the federal government shall have access to any books, documents, papers, electronic data, and other records which these representatives may determine to be pertinent to this Agreement for the purpose of performing an audit, evaluation, inspection, review, assessment, or examination. These representatives are authorized to obtain excerpts, transcripts, and copies, as they deem necessary. Further, these authorized representatives shall have the right, upon request, to inspect or otherwise evaluate the work performed under this Agreement and the premises in which it is being performed.
3. This access to records includes, but is not limited to, service delivery, referrals, and financial and administrative documents for five (5) years after final payment was made, or until all pending county, state, and federal audits are completed, whichever is later.
4. Should the Project Sponsor disagree with any audit conducted by DPSS, the Project Sponsor shall have the right to employ a licensed, Certified Public Account (CPA) to prepare and file with DPSS a certified financial and compliance audit (in compliance with generally accepted government auditing standards) of related services provided during the term of this Agreement. The Project Sponsor will not be reimbursed by DPSS for such an audit.
5. In the event the Project Sponsor does not make available its books and financial records at the location where they are normally maintained, the Project Sponsor agrees to pay all necessary and reasonable expenses, including legal fees, incurred by DPSS in conducting any audit.

6. All contract deliverables and equipment furnished or utilized in the performance of this Agreement shall be subject to inspection by DPSS at all times during the term of this Agreement. The Project Sponsor shall provide adequate cooperation to any employee assigned by DPSS in order to permit their determination of the Project Sponsor's conformity with specifications and adequacy of performance and services being provided in accordance with this Agreement.

F. WITHHELD PAYMENTS

1. Unearned payments under this Agreement may be suspended or terminated if grant funds to DPSS are suspended or terminated, or if the Project Sponsor refuses to accept additional conditions imposed on it by HUD or DPSS.
2. DPSS has the authority to withhold funds under this Agreement pending a final determination by DPSS of questioned expenditures or indebtedness to DPSS arising from past or present agreements between DPSS and the Project Sponsor. Upon final determination by DPSS of disallowed expenditures or indebtedness, DPSS may deduct and retain the amount of the disallowed or indebtedness from the amount of the withheld funds.
3. Payments to the Project Sponsor may be withheld by DPSS if the Project Sponsor fails to comply with the provisions of this Agreement.

G. FISCAL ACCOUNTABILITY

1. The Project Sponsor agrees to manage funds received through DPSS in accordance with sound accounting policies; incur and claim only eligible costs for reimbursement; and adhere to accounting standards established in OMB Circulars A-110, A-122 and A-133.
2. The Project Sponsor must establish and maintain on a current basis an accrual accounting system in accordance with generally accepted accounting principles and standards. Further, the Project Sponsor must develop an accounting procedure manual. Said manual shall be made available to DPSS upon request or during fiscal monitoring visits.

H. AVAILABILITY OF FUNDING

The County's obligation for payment of the Agreement beyond the term of the Agreement is contingent upon the availability of funding from which payment can be made. No legal liability on the part of the County shall arise for payment beyond the term of the grant unless funds are made available for such performance.

V. GENERAL PROVISIONS

A. TERM OF AGREEMENT

The Agreement shall be effective from five (5) years from operation start date.

B. COMPLIANCE WITH RULES, REGULATIONS, REQUIREMENTS, AND DIRECTIVES

The Contractor shall comply with all rules, regulations, requirements, and directives of the California Department of Social Services, other applicable state agencies, and funding sources

which impose duties and regulations upon DPSS and which are equally applicable and made binding upon the Project Sponsor as though made with the Project Sponsor directly.

C. CONFLICT OF INTEREST

The Project Sponsor covenants that it presently has no interest in, including but not limited to, other projects or independent agreements, and shall not acquire any such interest, direct or indirect, which is, or which the Project Sponsor believes to be, incompatible in any manner or degree with the performance of services required to be performed under this Agreement. The Project Sponsor further covenants that in the performance of this Agreement, no person having any such interest shall be employed or retained by the Project Sponsor under this agreement. The Project Sponsor agrees to inform DPSS of all of the Project Sponsor's interests, if any, which are or which the Project Sponsor believes to be incompatible with any interest of DPSS.

D. DEFAULT

1. A default shall consist of any use of grant funds for a purpose other than as authorized by this Agreement or failure in the Project Sponsor's duty to provide the supportive housing for the minimum term in accordance with the requirements of the provisions of the Shelter Plus Care Rule, the Application, or this Agreement. In the event of an occurrence of default, DPSS and HUD may take one or more of the following actions:
 - a. Issue a letter of warning advising the Project Sponsor of the default that establishes a date by which corrective actions must be completed and puts the Project Sponsor on notice that more serious actions will be taken if the default is not corrected or is repeated;
 - b. Direct the Project Sponsor to submit progress schedules for completing the approved activities;
 - c. Direct the Project Sponsor to establish and maintain a management plan that assigns responsibilities for carrying out remedial actions;
 - d. Direct the Project Sponsor to reimburse the program accounts for costs inappropriately charged to the program; or
 - e. Make recommendations to HUD to reduce or recapture the grant.

E. ASSIGNMENT

Except as set forth herein, the Project Sponsor cannot assign or subcontract any of its rights, duties, or obligations pursuant to this Agreement to any person or entity without the prior written consent of DPSS.

F. HOLD HARMLESS/INDEMNIFICATION

Project Sponsor shall indemnify and hold harmless the federal government, the state, and the County of Riverside, its Agencies, districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Project Sponsor, its officers, employees, subcontractors, agents or representatives arising out

of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of Project Sponsor, its officers, agents, employees, subcontractors, agents or representatives from this Agreement. Project Sponsor shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards, the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged liability.

With respect to any action or claim subject to indemnification herein by Project Sponsor, Project Sponsor shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Project Sponsor's indemnification to County as set forth herein.

The Project Sponsor's obligation hereunder shall be satisfied when the Project Sponsor has provided to County the appropriate form of dismissal relieving the County from any liability for the action or claim involved.

The specified insurance limits required in this Agreement shall in no way limit or circumscribe the Project Sponsor's obligations to indemnify and hold harmless the County herein from third party claims.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the Project Sponsor from indemnifying the County fully allowed by law.

G. INSURANCE

Without limiting or diminishing the Contractor's obligation to indemnify or hold the County harmless, Contractor shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage during the term of this Agreement.

Workers' Compensation:

If Contractor has employees as defined by the State of California, the Contractor shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident.

Policy shall be endorsed to waive subrogation in favor of the County of Riverside; and, if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement.

Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, cross liability coverage, covering claims which may arise from or out of Contractor's performance of its obligations hereunder. **Policy shall name, in the following manner, "the County of Riverside, its Agencies, Districts, and Special Districts, their respective directors, officers, Board of Supervisors, elected or**

appointed officials, employees, agents or representatives as Additional Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit.

Professional Liability:

If, at any time during the duration of this Agreement and any renewal or extension thereof, the Contractor, its employees, agents or subcontractors provide professional counseling for issues of medical diagnosis, medical treatment, mental health, dispute resolution or any other services for which it is the usual and customary practice to maintain Professional Liability Insurance, the Contractor shall procure and maintain Professional Liability Insurance (Errors & Omissions), providing coverage for performance of work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Consultant's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement. Upon termination of this Agreement or the expiration or cancellation of the claims made insurance policy Consultant shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from a new insurer with at retroactive date back to the date of, or prior to, the inception of this Agreement; or, 3) demonstrate through Certificate of Insurance that Consultant has maintained continuous coverage with the same or original insurer. Coverage provided under items: Workers' Compensation, Commercial General Liability or Professional Liability will continue for a period of five (5) years beyond the termination of this Agreement.

Vehicle Liability:

If Contractor's vehicles or mobile equipment are used in the performance of the obligations under this Agreement, Contractor shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit. **Policy shall name, in the following manner, "the County of Riverside, its Agencies, Districts, Special Districts, their respective directors, officers, Board of Supervisors, elected or appointed officials, employees, agents, or representatives as Additional Insureds."**

General Insurance Provisions – All lines:

1. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A.M. BEST rating of not less than an A: VIII(A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
2. The Contractor's insurance carrier(s) must declare self-insured retentions. If such self insured retentions exceed \$500,000 per occurrence retentions shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self insured retention's unacceptable to the County, and at the election of the County's Risk Manager, Contractor's carriers shall

either; 1) reduce or eliminate such self-insured retentions as respects this Agreement with the County, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, defense costs and expenses.

3. The Contractor shall cause insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and original copies of Endorsements effecting coverage as required herein; and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverages set forth herein and the insurance required herein is in full force and effect. **CONTRACTOR shall not commence operations until the COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.**
4. It is understood and agreed to by the parties hereto and the CONTRACTOR'S insurance shall be construed as primary insurance, and the County's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.
5. If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work which will add additional exposures (such as the use of aircraft, watercraft, cranes, etc.); or, the term of this Agreement, including any extensions thereof, exceeds five (5) years the COUNTY reserves the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverage's currently required herein, if; in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.
6. Contractor shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.
7. The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the County.
8. Contractor agrees to notify the County of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

H. INDEPENDENT PROJECT SPONSOR

The Project Sponsor is, and will at all times be deemed to be, an independent Contractor and shall be wholly responsible for the manner in which it performs the services required of it by the terms of this Agreement. Nothing herein contained shall be construed as creating the relationship of employer and employee or principal and agent, between DPSS and the Project Sponsor or any of the Project Sponsor's agents, employees or volunteers. The Project Sponsor assumes exclusively the responsibility for the acts of its employees as they relate to the services to be provided during the course and scope of their employment. The Project Sponsor, its agents, employees, and volunteers shall not be afforded any of the rights and/or privileges afforded to employees of DPSS or the County of Riverside and shall not be considered in any manner to be employees of the County.

I. SUBCONTRACTING

1. The Project Sponsor may not delegate his duties or obligations nor assign his rights hereunder, either in whole or in part, without prior written consent of DPSS. Any such attempt at delegation of assignment without prior written consent shall be void. Any change whatsoever in the corporate structure of the Project Sponsor, the governing body of the Project Sponsor, the management of the Project Sponsor, or the transfer of assets in excess of ten percent of the total assets of the Project Sponsor shall be an assignment of benefits under the terms of this Agreement requiring DPSS approval. All subcontracts shall be made in writing and copies provided to DPSS. No subcontracts shall alter, in any way, any legal responsibility of the Project Sponsor to DPSS.
2. DPSS has the right to refuse reimbursement for obligations incurred under any subcontract that does not comply with the terms of this Agreement.
3. The Project Sponsor shall include in each subcontract all provisions that DPSS may require. These provisions will be made available to the Project Sponsor by DPSS.
4. Every subcontract shall specify:
 - a. The time period within which the subcontractor is to perform the subcontract. Subcontractor performance shall not begin prior to, nor extend beyond the time period of the contract between the Project Sponsor and DPSS;
 - b. The dollar amount of the subcontract;
 - c. The responsibilities of each party under the subcontract;
 - d. A statement that the subcontractor and agents and employees of the subcontractor in the performance of the subcontract are acting in an independent capacity and not as officers, employees or agents of the State of California;
 - e. A statement that modification of the subcontract shall be in writing. Prior written DPSS approval is required;
 - f. Authorized representatives of DPSS and the federal government shall have access to any books, documents, papers, electronic data, and other records which these representatives may determine to be pertinent to this Agreement for the purpose of

performing an audit, evaluation, inspection, review, assessment, or examination. These representatives are authorized to obtain excerpts, transcripts, and copies, as they deem necessary. Further, these authorized representatives shall have the right, upon request, to inspect or otherwise evaluate the work performed under this Agreement and the premises in which it is being performed;

- g. This access to records includes, but is not limited to, service delivery, referrals, and financial and administrative documents for five (5) years after final payment was made, or until all pending county, state, and federal audits are completed, whichever is later;
- h. A statement that the subcontract is the complete and exclusive statement of the mutual understanding of the parties, and that the subcontract supersedes and cancels all previous written and oral agreements and communications relating to the subject matter of the subcontract; and
- i. A statement regarding default in case of subcontractor is in breach of the subcontract.

J. REPORTS AND RECORD KEEPING

1. The Project Sponsor agrees to submit an Annual Performance Review (APR), **APPENDIX 6 of EXHIBIT A**, to DPSS within thirty (30) days after the end of each operating year or no later than forty-five (45) days for one (1) year renewal grants. Failure to submit an APR may lead to a delay in receiving future grant funds. Upon review for completeness and accuracy, DPSS will forward the APR to HUD as required. The Project Sponsor will mail these records to the following address:

Department of Public Social Services
Homeless Programs Unit
Attn: Programs Supervisor
4060 County Circle Drive
Riverside, CA 92503

2. The Project Sponsor agrees to submit a Semi-Annual Statistical Report upon a 30-day written notice by DPSS.
3. The Sponsor agrees to collect and maintain records of participants for required federal, state, and county reports. Authorized representatives shall have the right at all reasonable times to access, inspect, or otherwise evaluate the work performed under this Agreement. Maintenance of records and access to them by authorized representatives is required for five (5) years after final payment is made under this program, or until all pending County, State, and Federal audits are completed, whichever is the later.

K. SANCTIONS

Failure by the Project Sponsor to comply with any of the provisions, covenants, requirements, or conditions of this Agreement including, but not limited to, reporting and evaluation requirements, shall be a material breach of this Agreement. In such event, DPSS may immediately terminate this Agreement (as further specified in the TERMINATION Clause below) and may take any other remedies available by law, or otherwise specified in this Agreement. DPSS may also:

1. Afford the Project Sponsor a time period within which to correct the breach, the period of which shall be established at the sole discretion of DPSS; and/or
2. Withhold funds pending correction of the breach.

L. TERMINATION

1. DPSS may suspend or terminate this Agreement for cause upon written notice to the Project Sponsor of the action being taken. Cause shall be established if:
 - a. The Project Sponsor fails to perform the covenants herein contained at such time and in such manner as provided in this Agreement; or
 - b. There is a conflict with any federal, state or local laws, ordinance, regulation or rule rendering any provision of this Agreement invalid or untenable.
2. Upon DPSS ruling of termination or suspense, DPSS will provide ninety (90) days written notification stating the extent and effective date of termination. The ninety-day period begins when notice is deposited in the U.S. Mail, postage paid.
3. The Project Sponsor may terminate this Agreement with cause upon written notice served upon DPSS stating the extent and effective date of termination. Project Sponsor will provide ninety (90) days written notification stating the extent and effective date of termination. The ninety-day period begins when notice is deposited in the U.S. Mail, postage paid.
4. Upon termination of this Agreement, the Project Sponsor shall not incur any obligations after any effective date of such termination, unless expressly authorized in writing by DPSS.
5. In the event the funding from HUD is reduced, terminated or otherwise becomes unavailable, DPSS shall provide written notice to the Project Sponsor within five (5) working days from the date that HUD reduces, suspends or terminates the grant funding. This Agreement shall be either terminated or amended to reflect said reduction in funds.

M. USE OF FACILITY

1. Any building for which grant funds are used under this Agreement for renovation, conversion, or major rehabilitation must meet local government safety and sanitation standards.
2. Under federal regulations 24 CFR 582.115, Shelter Plus Care Program assistance may not be used for religious activities as described in EXHIBIT A. The Project Sponsor will ensure that any building or facility is utilized exclusively for secular purposes and is made available to all persons regardless of religion.

N. COMPLIANCE WITH LAW

1. By executing this Agreement, the Project Sponsor hereby certifies that it will adhere to and comply with the following as they may be applicable to a Project Sponsor of funds granted pursuant to the Shelter Plus Care Program; the Application; and Shelter Plus Care Rule (24 CFR 582).

- a. Section 92.350 Equal Opportunity and Fair Housing;
 - b. Section 92.351 Affirmative Marketing;
 - c. Section 92.352 Environmental Review;
 - d. Section 92.353 Displacement, relocation, and acquisition; the relocation requirements of Title II and the acquisition requirements of Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and the implementing regulations at 24 CFR Part 42;
 - e. Section 92.354 Labor;
 - f. Section 92.355 Lead-based paint; the lead-based paint requirements of 24 CFR Part 35 issued pursuant to the Lead-based Poisoning Prevention Act (42 USC 4801, et seq.);
 - g. Section 92.356 Conflict of Interest;
 - h. Section 92.357 Debarment and Suspension;
 - i. The regulations, policies, guidelines, and requirements of 24 CFR Part 85.
2. The Project Sponsor shall comply with all federal, state and local laws and regulations pertinent to its operation and services to be performed hereunder, and shall keep in effect any and all licenses, permits, notices, and certificates as are required thereby. The Project Sponsor shall further comply with all laws applicable to wages and hours of employment, occupational safety and to fire, safety, health, and sanitation.

O. CHILD ABUSE REPORTING

The Contractor shall establish a procedure acceptable to DPSS to ensure that all employees, volunteers, consultants, subcontractors or agents performing services under this Agreement report child abuse or neglect to a child protective agency as defined in Penal Code, Section 11166.

P. ELDER AND DEPENDENT ADULT ABUSE REPORTING

The Contractor shall provide documentation of a policy and procedure acceptable to DPSS to ensure that all employees, volunteers, consultants, subcontractors, or agents performing services under this Agreement report elder and dependent adult abuse pursuant to Welfare & Institutions Code (WIC) Sections 15600 et seq. Suspected incidents of abuse should be immediately reported to DPSS, followed by a written report within two working days.

Q. NON-DISCRIMINATION ASSURANCE

The Project Sponsor shall not discriminate in its recruiting, hiring, promoting, demoting, or terminating practices on the basis of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, age or sex in the performance of this Agreement, and to the extent they shall apply, with the provisions of the California

Employment and Housing Act (Gov. Code section 12900 et. Seq.), and the Federal Civil Rights Act of 1964 (P. L. 88-352).

R. AUTHORITY

The individuals executing this Agreement and the instruments referenced herein on behalf of the Project Sponsor each represent and warrant that they have the legal power, right, and actual authority to bind Housing Authority to the terms and conditions herein this agreement.

S. NOTICES

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth herein. All other correspondence shall be delivered to the addresses shown below and are deemed submitted on the date of deposit in the U. S. Mail, postage prepaid to:

DPSS: Department of Public Social Services
(Contract Issues) Contracts Administration Unit
10281 Kidd Street
Riverside, CA 92503

DPSS: Department of Public Social Services
(Program Issues) Attn: Homeless Programs Coordinator
4060 County Circle Drive
Riverside, CA 92503

Project Sponsor: Riverside County Housing Authority
Robert Field, Assistant County Executive Officer/EDA
5555 Arlington Avenue
Riverside, CA 92504

T. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and all prior or contemporaneous agreements of any kind or nature relating to the same shall be deemed to be merged herein. Any modifications to the terms of this Agreement must be made in writing and signed by the parties herein. More specifically, the Project Sponsor shall not change the population to be served or make any other change inconsistent with the Application without the prior approval of DPSS and HUD.

2007 SHELTER PLUS CARE GRANT AGREEMENT - New Project

Grant No: CA16C708001
Project Identification Number (PIN) CA8370
Official Contact Person Edna Garcia
Telephone & FAX No. 951-358-5617 and 951-358-3409
Email Address: Egarcia@riversidedpss.org
Tax ID No. 95-6000930
Project Name: All Riverside County SPC
Project Location: California
Amount: \$1,134,900.00

This Agreement is made by and between the United States Department of Housing and Urban Development (HUD) and Riverside County Dept of Public Social Services (the "Recipient") at 4060 County Circle Drive, Riverside, California, 92503.

This Agreement will be governed by Subtitle F of Title IV of the McKinney-Vento Homeless Assistance Act 42 U.S.C. 11301 et seq. (the Act); the HUD Shelter Plus Care Program final rule codified at 24 CFR 582 ("the Rule") and the Notice of Fund Availability (NOFA), published that was published in two parts. The first part was the General Section of the NOFA, which was published January 18, 2007 at 72 FR 2396, and the second part was the Continuum of Care Homeless Assistance Programs NOFA Section of the NOFA, which was published March 13, 2007 at 72 FR 11742. The terms "Grant" or "Grant Funds" mean the funds for rental assistance that are provided under this Agreement. The term "Application" means the application submission on the basis of which the Grant was approved by HUD, including the certifications, assurances, and any information or documentation required to meet any grant award conditions. The Application is incorporated herein as part of this Agreement; however, in the event of any conflict between the Application and any provision contained herein, this Shelter Plus Care Agreement shall control.

The following are attached hereto and made a part hereof:

- Exhibit 1 - The Shelter Plus Care Program Rule
- Exhibit 2 - for Tenant-based Rental Assistance
- Exhibit 3 - for Project-based Rental Assistance
- Exhibit 4 - for Sponsor-based Rental Assistance
- Exhibit 5 - for Section 8 Rehabilitation for SRO

HUD notifications to the Recipient shall be to the address of the Recipient as stated in the Application, unless HUD is otherwise advised in writing. Recipient notifications to HUD shall be to the HUD Field Office executing the Agreement.

Grant Number: CA16C708001

Recipient agrees to conduct an ongoing assessment of the rental assistance and supportive services required by the participants in the program; to assure the adequate provisions of supportive services to the participants in the program; to be responsible for overall administration of this grant, including overseeing any subrecipients, contractors and subcontractors; and to comply with such other terms and conditions, including record keeping and reports (which must include racial and ethnic data on participants for program monitoring and evaluation purposes), as the Secretary may establish for purposes of carrying out the program in an effective and efficient manner.

The recipient and project sponsor, if any, will not knowingly allow illegal activities in any unit assisted with Shelter Plus Care funds.

A default shall consist of any use of Grant Funds for a purpose other than as authorized by this Agreement, noncompliance with the Act, Rule, any material breach of the Agreement, failure to expend Grant Funds in a timely manner, or misrepresentations in the Application submission which, if known by HUD, would have resulted in a grant not being provided. Upon due notice to the Recipient of the occurrence of any such default and the provision of a reasonable opportunity to respond, HUD may take one or more of the following actions:

- a) direct the Recipient to submit progress schedules for completing approved activities;
- b) issue a letter of warning advising the Recipient of the default, establishing a date by which corrective actions must be completed and putting the Recipient on notice that more serious actions will be taken if the default is not corrected or is repeated;
- c) direct Recipient to establish and maintain a management plan that assigns responsibility for carrying out remedial actions;
- d) direct the Recipient to suspend, discontinue or not incur costs for the affected activity;
- e) reduce or recapture the grant;
- f) direct the Recipient to reimburse the program accounts for costs inappropriately charged to the program;
- g) continue the Grant with a substitute Recipient selected by HUD;
- h) other appropriate action including, but not limited to, any remedial action legally available, such as affirmative litigation seeking declaratory judgment, specific performance, damages, temporary or permanent injunctions and any other available remedies

Grant Number: CA16C708001

No delay or omissions by HUD in exercising any right or remedy available to it under the Agreement shall impair any such right or remedy or constitute a waiver or acquiescence in any Recipient default.

This Agreement constitutes the entire agreement between the parties hereto, and may be amended only in writing executed by HUD and the Recipient. More specifically, Recipient shall not change sponsor or population to be served, or make any other change inconsistent with the Application, without the prior approval of HUD. No right, benefit, or advantage of the Recipient or Sponsor hereunder should be assigned without prior written approval of HUD. The effective date of the Agreement shall be the date of execution by HUD. We will recapture un-obligated balances at the end of the grant period.

By signing below, Recipients are states and units of local government certify that they are following a current HUD approved Consolidated Plan.

This agreement is hereby executed on behalf of the parties as follows for Grant Number: CA16C708001 Project Identification Number: CA8370.

UNITED STATES OF AMERICA,
Secretary of Housing and Urban Development

BY: _____
(Signature)

(Title)

(Date)

RECIPIENT

Riverside County
(Name of Organization)

BY: _____
(Signature of Authorized Official) Jeff Stone
Chair, Board of Supervisors

(Title)

(Date)