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

FORM APPROVED COUNTY COUNSEL
BY: GREGORY P. PRIAMOS
DATE: 1/16/15

Departmental Concurrence

FROM: Department of Public Social Services

SUBMITTAL DATE:
December 16, 2015

SUBJECT: Agreement for the Use of 2015-2016 Emergency Solutions Grant Funds from the City of Moreno Valley for one year. District 5; [5,000 total]; [\$5,000 annually]; 100% Federal Funding

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and authorize the Chairman of the Board to sign the attached Agreement for the use of the 2015-2016 Emergency Solutions Grant Funds between the City of Moreno Valley and the County of Riverside Department of Public Social Services (DPSS) in the amount of \$5,000 for the period of July 1, 2015 through June 30, 2016; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to sign assurances, exhibits and reports made under this agreement or any future ministerial amendment.

Susan von Zabern

Susan von Zabern
Director

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 5,000	\$ 0	\$ 5,000	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: Federal Funding: 100% State Funding: 0%; County Funding: 0%; Realignment Funding: 0%; Other Funding: 0%	Budget Adjustment: For Fiscal Year: 15-16
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C.E.O. RECOMMENDATION:

APPROVE

BY: *Jennifer L. Sargent*
Jennifer L. Sargent

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: 3.62

District: 5

Agenda Number:

3-21

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Agreement with City of Moreno Valley for Emergency Shelter Grant Funds From the City of Moreno Valley for one year. District 5; [\$5,000 total]; [\$5,000 annually]; 100% Federal Funding**

DATE: December 16, 2015

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BACKGROUND:

Summary

Pursuant to Subtitle B of the Stewart B. McKinney Homeless Act of 1987 (Public Law 100-77), the City of Moreno Valley has been awarded Emergency Solutions Grant (ESG) funds for the purposes of (i) the rehabilitation or conversion of buildings for use as emergency shelter for the homeless, (ii) the payment of certain expenses related to operating emergency shelters, (iii) essential services related to emergency shelters and street outreach for the homeless, and (iv) homelessness prevention and rapid re-housing assistance.

In accordance with grant requirements, the City of Moreno Valley will provide to DPSS funding in the amount of \$5,000 for the period of July 1, 2015 through June 30, 2016 to help pay the costs of contributing data to the Homeless Management Information System (HMIS) designated by the Continuum of Care, to comply with HUD's data collection, management, and reporting standards. In addition, HMIS is used to collect client-level data and data on the provision of housing and services to homeless individuals, families, and persons at risk of homelessness.

This is the first year that the City of Moreno Valley is receiving an ESG allocation. The City required additional time to define the processes that would be needed to support the utilization and tracking of the funding. As a result, the ESG agreement is being presented to your Board for ratification to July 1, 2015. The Board has previously approved similar ESG agreements, most recently on January 11, 2011 (#3.62), to support the FY 2010-11 Cold Weather Shelter Program with the City of Riverside.

Impact on Residents and Businesses

These programs provide much needed assistance to individuals or families who are homeless.

SUPPLEMENTAL:

Price Reasonableness

Funds for managing HMIS have been included in the Fiscal Year 2015-16 budget.

ATTACHMENTS:

Emergency Solutions Grant Agreement

SvZ:kr

EMERGENCY SOLUTIONS GRANTS AGREEMENT

By and Between

CITY OF MORENO VALLEY

And

**County of Riverside Department of Public Social Services,
Homeless Programs Unit**

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**EMERGENCY SOLUTIONS GRANTS AGREEMENT BETWEEN
THE CITY OF MORENO VALLEY
AND**

County of Riverside Department of Public Social Services, Homeless Programs Unit

This EMERGENCY SOLUTIONS GRANTS AGREEMENT (this "Agreement"), dated for purposes of identification only as of March 23, 2015 (the "Date of Agreement"), is made and entered into by and between the CITY OF MORENO VALLEY a municipal corporation and charter city ("CITY"), and the **County of Riverside Department of Public Social Services, Homeless Programs Unit**, a California government entity ("SUBRECIPIENT").

RECITALS

- A. CITY is the recipient of funds (the "ESG Funds") from the United States Department of Housing and Urban Development ("HUD") for Fiscal Year 2014-2015 under the Emergency Solutions Grants Program ("ESG") (42 U.S.C. 11371-11378) for the purposes of (i) the rehabilitation or conversion of buildings for use as emergency shelter for the homeless, (ii) the payment of certain expenses related to operating emergency shelters, (iii) essential services related to emergency shelters and street outreach for the homeless, and (iv) homelessness prevention and rapid re-housing assistance.
- B. CITY desires to make the ESG Funds available to eligible subrecipients who want to operate a homeless assistance and/or homelessness prevention program in accordance with the terms and provisions of the HEARTH Act and the ESG Regulations.
- C. SUBRECIPIENT provides, among other things, services for homeless individuals.
- D. SUBRECIPIENT was selected by the CITY to obtain a grant of Fiscal Year 2014-2015 ESG Funds under the HEARTH Act and the ESG Regulations.
- E. SUBRECIPIENT's grant award of ESG Funds was approved by the Mayor and Council of the CITY pursuant to City Council Action taken on August 26, 2014 for the amount of \$5,000.
- F. CITY and SUBRECIPIENT (each, a "Party" and jointly, the "Parties") desire to enter into this Agreement so that SUBRECIPIENT may receive a grant of the ESG Funds in consideration of SUBRECIPIENT's (i) contribution of funds equal to amount of ESG Funds granted to the SUBRECIPIENT hereunder and (ii) provision of certain services to CITY and the community.

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES, COVENANTS AND CONDITIONS CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

SECTION 1. DEFINITIONS.

The following capitalized terms used in this Agreement shall have the following meanings:

“Agreement” means this Emergency Solutions Grants Agreement by and between CITY and SUBRECIPIENT.

“Amount of Grant” is identified in the Budget presented in Exhibit B as Approved Grant Amount.

“Authorized Expenditures” means the SUBRECIPIENT’s Budget for the use of ESG Funds authorized under this Agreement for the costs of providing the Services, which Budget is set forth on Exhibit B attached hereto.

“CFR” means the Code of Federal Regulations.

“CITY” is defined in the initial paragraph of this Agreement and includes any assignee of or successor to the rights, powers and responsibilities of CITY.

“City Manager” means the City Manager of the City of Moreno Valley, or his designee. The City Manager shall represent CITY in all matters pertaining to this Agreement. Whenever a reference is made herein to an action or approval to be undertaken by CITY, the City Manager is authorized to act on behalf of CITY unless this Agreement specifically provides otherwise or the context should otherwise require.

“CITY’s Representative” is defined as the City’s Chief Financial Officer (CFO) or designee such as a city employee/grant manager.

“Clients” means the families and individuals who receive the SUBRECIPIENT services under this Agreement

“Conditions to Disbursement” is defined in Section 2.3 hereof.

“Consolidated Plan” means a plan prepared by CITY and approved by HUD in accordance with 24 CFR Part 91.

“Continuum of Care” shall have the meaning provided in 24 CFR 576.2.

“Covenants Re: Use of Federal Funds” means those additional covenants of SUBRECIPIENT required due to the federal source of the Grant Proceeds, which are attached hereto as Exhibit C and incorporated herein by this reference.

“Date of Agreement” is defined in the initial paragraph of this Agreement.

“Default” is defined in Section 6.1 hereof.

“Effective Date” is defined in Section 9.13 hereof.

“Eligible Costs” means the costs allowed under 24 CFR 576 Subpart B.

“Emergency Shelter Component”, as more particularly described in 24 CFR 576.102, means the use of ESG Funds for the costs of providing essential services to homeless families and individuals in emergency shelters, renovating buildings to be used as emergency shelter for homeless families and individuals, and operating emergency shelters.

“ESG” is defined in Recital A hereof.

“ESG Regulations” means the regulations at 24 CFR Part 576, which govern the ESG Program.

“ESG Funds” is defined in Recital A hereof.

“Grant” is defined in Section 2.1 hereof.

“Grant Proceeds” means the proceeds of the Grant.

“Governmental Requirements” means all laws, ordinances, resolutions, statutes, codes, rules, regulations, orders, and decrees of the United States, the State, the City, and of any other political subdivision, agency or instrumentality exercising jurisdiction over CITY or SUBRECIPIENT, including, without limitation, the HEARTH Act, the ESG Regulations, the Written Standards for Providing ESG Assistance, and any statutes, rules, regulations and laws referenced in the ESG Regulations (for example, the shelter and housing standards set forth at 24 CFR 576.403, the conflict of interest requirements set forth at 24 CFR 576.404, and other Federal requirements set forth at 24 CFR 576.407), as the same may be amended from time to time.

“Homeless” shall have the meaning provided in 24 CFR 576.2.

“Homeless Management Information Systems Component” or “HMIS Component”, as more particularly in 24 CFR 576.107, means the use of ESG Funds to pay the costs of contributing data to the information system designated by the Continuum of Care to comply with HUD’s data collection, management, and reporting standards and used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness.

“Homeless Prevention Component”, as more particularly described in 24 CFR 576.103, means the use of ESG Funds to provide housing relocation and stabilization services and short-and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the “homeless” definition in 24 CFR 576.2.

“Housing Relocation and Stabilization Services” shall have the meaning provided in 24 CFR 576.105.

“HUD” is defined in Recital A hereof.

“Mainstream Resources” means those mainstream housing, health, social services, employment, education, and youth programs for which families and individuals at risk of homelessness and homeless individuals and families may be eligible, including, for example, those programs described in 24 CFR 576.400(c).

“Matching Contribution” means the amount of matching contributions required of SUBRECIPIENT under 24 CFR 576.201, which may be in the form of cash and/or non-cash contributions, as identified by SUBRECIPIENT and approved by CITY. For the purposes of this agreement, the amount of the required match is valued at \$5,000.

“Monthly Report” means a monthly performance report given by SUBRECIPIENT to CITY in a format prescribed by CITY on the status of SUBRECIPIENT’s performance of its Scope of Services and evidence of compliance with the ESG Regulations, which report shall be submitted no later than the 15th day of each month during the Term of this Agreement and on the 15th day of the month following the expiration of the Term hereof.

“Parties” is defined in Recital F hereof.

“Program Income” shall have the meaning provided in 2 CFR 200.80.

“Rapid Re-housing Assistance Component”, as more particularly described in 24 CFR 576.104, means the use of ESG Funds to provide housing relocation and stabilization services and short-and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.

“Rehabilitation” (whether major or moderate) means labor, materials, tools, and other costs of improving buildings, including repair directed toward an accumulation of deferred maintenance; replacement of principal fixtures and components of existing buildings; installation of security devices; and improvement through alterations or incidental additions to, or enhancement of, existing buildings, including improvements to increase the efficient use of energy in buildings, and structural changes necessary to make the structure accessible for persons with physical disabilities.

“Salary” means the reasonable salaries, wages and related costs of SUBRECIPIENT’s Staff engaged in the performance and administration of the Services.

“Scope of Services” means the Services authorized to be performed by SUBRECIPIENT under this Agreement attached hereto as Exhibit A and incorporated herein by this reference.

“Short-Term and Medium-Term Rental Assistance” shall have the meaning provided in 24 CFR 576.106.

“Street Outreach Component”, as more particularly described in 24 CFR 576.101, means the use of ESG Funds for the costs of providing essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.

“SUBRECIPIENT” is a private nonprofit organization that is a secular or religious organization described in Section 501(c) of the Internal Revenue Code of 1986 and which is exempt from taxation under subtitle A of the Internal Revenue Code, has an accounting system and a voluntary board, and practices nondiscrimination in the provision of assistance.

“SUBRECIPIENT’s Representative” is subrecipient’s Chief Operating Officer or designee. The SUBRECIPIENT’s Representative shall represent SUBRECIPIENT in all matters pertaining to this Agreement. Whenever a reference is made herein to an action or approval to be undertaken by SUBRECIPIENT, the SUBRECIPIENT’s Representative is authorized to act on behalf of SUBRECIPIENT unless this Agreement specifically provides otherwise or the context should otherwise require.

“Targeted Homeless Programs” means those programs, other than the ESG Program, targeted to homeless people in the area covered by the Continuum of Care (CoC) to provide a strategic, community-wide system to prevent homelessness for that area, including those programs described in 24 CFR 576.400(b).

“Written Standards for Providing ESG Assistance”, as more particularly described in 24 CFR 576.400(e)(1), means the written standards for providing ESG assistance prepared by CITY and the SUBRECIPIENT as a result of CoC consultation/collaboration meetings, which must be applied consistently by SUBRECIPIENT for all Program Participants.

SECTION 2. GRANT.

2.1 Amount of Grant.

CITY agrees to grant to SUBRECIPIENT ESG Funds in an amount equal to the Amount of Grant set forth in Exhibit B, subject to all of the terms, covenants and conditions of this Agreement. SUBRECIPIENT shall use the Grant Proceeds to pay for Authorized Expenditures only and for no other purpose.

2.2 Disbursement of Grant Proceeds.

Upon satisfaction of the Conditions to Disbursement or written waiver thereof by CITY, CITY shall distribute the Grant Proceeds in monthly installments, as requested by SUBRECIPIENT, in arrears, in order to reimburse SUBRECIPIENT for Authorized Expenses incurred by SUBRECIPIENT in the rendering of Services under this Agreement. In order to spread disbursement of the Grant over the full fiscal year, no monthly disbursement shall exceed one twelfth (1/12) of the total amount of grant except in the final billing period. Requests for disbursements by SUBRECIPIENT shall be made

by SUBRECIPIENT sending to CITY, not more frequently than monthly, a detailed invoice in a form specified and approved by CITY. Each invoice shall be accompanied by documentation confirming the SUBRECIPIENT's Matching Contribution and the Monthly Report covering the time period for which the invoice is submitted.

2.3 Conditions Precedent to Disbursement.

SUBRECIPIENT agrees further that CITY shall not be obligated to make any disbursement of the Grant Proceeds unless and until SUBRECIPIENT has fulfilled all of CITY's customary conditions for a Grant (the "Conditions to Disbursement") or CITY waives any conditions in writing. Such conditions include, for purposes of guidance and illustration, but are not limited to, the following:

- A. CITY shall have received all insurance certificates required by it pursuant to and in accordance with Section 5.1 of this Agreement.
- B. CITY shall have received evidence that SUBRECIPIENT is a corporation duly organized and existing as a California non-profit corporation presently in good standing; that SUBRECIPIENT has the power as a corporation to enter into this Agreement; that all documents executed by SUBRECIPIENT pertaining to the Grant are valid and binding obligations of SUBRECIPIENT, enforceable according to their terms; and that the officers and agents executing such documents are duly empowered and authorized to execute them.
- C. CITY shall have received copies of any and all licenses, permits, notices, and certificates required by CITY pursuant to and in accordance with Section 4.6 of this Agreement. The City Manager may waive or modify in writing any of the Conditions to Disbursement of the Grant Proceeds.

2.4 Modification of Grant.

CITY reserves the right to reduce the Amount of Grant when CITY's fiscal monitoring indicates that SUBRECIPIENT's rate of expenditure will result in unspent funds at the end of the program year. Changes in the Amount of Grant will be done after consultation with SUBRECIPIENT. Such changes shall be incorporated into this Agreement by written amendments.

2.6 Fiscal Limitations.

The United States of America, through HUD, may place programmatic or fiscal limitations on ESG Funds not presently anticipated. Accordingly, CITY reserves the right to revise this Agreement in order to take into account HUD actions affecting program funding. In the event of funding reduction, CITY may reduce the Amount of Grant for this Agreement as a whole or may limit the rate of SUBRECIPIENT's use of both its uncommitted and its unspent funds. If HUD directs CITY to implement a reduction in funding, CITY's Representative may act for CITY in implementing and effecting such a

reduction and in revising the Agreement for such purpose. CITY shall provide notice: (1) as soon as practically possible and/or within seven (7) working days of the notice from HUD. Where CITY's Representative has reasonable grounds to question the fiscal accountability, financial soundness, or compliance with this Agreement of SUBRECIPIENT, CITY's Representative may act for CITY in suspending the operation of this Agreement for up to sixty (60) days upon three (3) days' notice to SUBRECIPIENT of CITY's intention to so act, pending an audit or other resolution of such questions. In no event, however, shall any revision made by CITY affect expenditures and legally binding commitments made by SUBRECIPIENT before it received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable, and that such commitments are consistent with HUD cash withdrawal guidelines.

2.7 Programs Utilizing Multiple Funding Sources.

SUBRECIPIENT agrees that all funds provided under this Agreement shall be used to benefit CITY residents. CITY shall not pay for any services provided by SUBRECIPIENT which are funded by other sources.

2.8 Use of Federal Funds.

SUBRECIPIENT acknowledges and agrees that the Grant is funded from ESG Funds allocated to CITY by the United States of America. Accordingly, SUBRECIPIENT hereby provides to CITY those covenants set forth in the Covenants Re: Use of Federal Funds, Exhibit "C".

SECTION 3. TERM.

The term of this Agreement (the "Term") shall commence on the Effective Date and shall terminate on June 30, 2016, unless earlier terminated pursuant to Section of this Agreement.

This Agreement may be suspended or terminated in accordance with 24 CFR 85.43 if SUBRECIPIENT materially fails to comply with any term of the award, and this Agreement may be terminated for convenience in accordance with 24 CFR 85.44.

SECTION 4. SERVICES.

4.1 Scope of Services.

In compliance with all of the terms and conditions of this Agreement, SUBRECIPIENT shall provide the services described in Exhibit A attached hereto. SUBRECIPIENT represents and warrants that all Services to be provided hereunder shall be performed in a competent, professional and satisfactory manner in accordance with the standards prevalent in the industry for such services.

4.2 Agreement and Provision of Services Nonexclusive.

SUBRECIPIENT acknowledges and agrees that this Agreement and the provision of services hereunder is nonexclusive and that CITY may enter into similar agreements with other entities for the provision of similar services. In addition, CITY and SUBRECIPIENT hereby agree to and shall coordinate and integrate, to the maximum extent practicable, the Services with the Targeted Homeless Services and the Mainstream Resources.

4.3 Time for Performance.

Time is of the essence in the performance of this Agreement. SUBRECIPIENT shall perform and complete all Services hereunder in a timely and expeditious manner in accordance with the Scope of Services. Notwithstanding the foregoing, to the extent required by the ESG Regulations, this Agreement shall remain in effect during any period that SUBRECIPIENT has control over ESG Funds, including Program Income. SUBRECIPIENT shall not be responsible for delays caused by circumstances beyond its reasonable control, provided that SUBRECIPIENT has delivered to CITY written notice of the cause of any such delay within ten (10) days of the occurrence of such cause.

4.4 SUBRECIPIENT's Application.

The Scope of Services shall include the SUBRECIPIENT's application for the grant of ESG Funds which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such application and this Agreement, the terms of this Agreement shall govern.

4.5 Compliance with Governmental Requirements.

SUBRECIPIENT hereby certifies that it (i) has read and reviewed the HEARTH Act, the ESG Regulations, the Written Standards for Providing ESG Assistance, and any statutes, rules, regulations and laws referenced in the ESG Regulations (ii) fully understands the same, and (iii) has received or has had the opportunity to receive full legal advice as to its legal rights and responsibilities thereunder. SUBRECIPIENT hereby covenants and agrees to comply with all Governmental Requirements at all times during the term of this Agreement.

4.6 Licenses, Permits, Fees and Assessments.

SUBRECIPIENT shall obtain, at SUBRECIPIENT's sole cost and expense, such licenses, permits and approvals as may be required by law for the performance of the Services required by this Agreement. SUBRECIPIENT shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and which arise from or are necessary for the performance of the Services required by this Agreement. Prior to the provision of the Services, SUBRECIPIENT shall provide CITY with copies of any and all licenses, permits, notices, and certificates required by law for the provision of the Services. Within three (3)

days of receipt by SUBRECIPIENT, SUBRECIPIENT shall provide CITY with copies of any notices, audits, inspections or other documents received by SUBRECIPIENT from any federal, state or local governmental body, arising out of or relating to the provision of the Services.

4.7 Nondiscrimination.

SUBRECIPIENT agrees not to discriminate against any person or class of persons by reason of sex, color, race, creed, religion, marital status, handicap, ancestry or national origin in its provision of Services. To the extent this Agreement provides that SUBRECIPIENT offer accommodations or services to the public, such accommodations or Services shall be offered by SUBRECIPIENT to the public on fair and reasonable terms.

4.8 Familiarity with Services.

By executing this Agreement, SUBRECIPIENT represents and warrants that SUBRECIPIENT (i) has thoroughly investigated and considered the Services to be performed, (ii) has carefully considered how the Services should be performed, and (iii) fully understands the requirements, difficulties and restrictions attending the performance of the Services under this Agreement.

4.9 Prohibition Against Subcontracting and Assignments.

Neither the whole nor any interest in, nor any of the rights or privileges granted under this Agreement shall be assignable or transferable or encumbered in any way without the prior written consent of CITY. Any such purported assignment, transfer, encumbrance, pledge, subuse, or permission given without such consent shall be void as to CITY. This is a personal services contract and the SUBRECIPIENT was chosen on the basis of characteristics unique to the SUBRECIPIENT. CITY shall have the right, in its sole and absolute discretion, to withhold its consent to any such assignment, transfer, encumbrance, pledge, subuse, or permission.

4.10 Independent Contractor.

SUBRECIPIENT and any agent or employee of SUBRECIPIENT shall act in an independent capacity and not as officers or employees of CITY. CITY assumes no liability for SUBRECIPIENT's actions and performance, nor assumes responsibility for taxes, bonds, payments, or other commitments, implied, or explicit, by or for SUBRECIPIENT. SUBRECIPIENT shall not have authority to act as an agent on behalf of CITY unless specifically authorized to do so in writing. SUBRECIPIENT acknowledges that it is aware that because it is an independent contractor, CITY is making no deduction from any amount paid to SUBRECIPIENT and is not contributing to any fund on its behalf. SUBRECIPIENT disclaims the right to any fee or benefits except as expressly provided for in this Agreement.

SUBRECIPIENT represents that SUBRECIPIENT has or will secure and maintain, at SUBRECIPIENT's sole cost and expense, all qualified and licensed personnel required to perform the Services. Staff and any additional personnel hired by SUBRECIPIENT shall be employees of SUBRECIPIENT. Such personnel shall not be deemed to be employees of CITY or to have any contractual relationship with CITY. Such personnel shall be authorized or permitted under state and local law to perform the Services.

4.11 Inspection.

CITY and its agents and representatives shall have the right at any reasonable time to observe the provision of the Services. CITY is under no duty to supervise the provision of the Services. Any inspection or examination by CITY is for the sole purpose of protecting and preserving CITY's rights under this Agreement. No default of SUBRECIPIENT shall be waived by any inspection by CITY. In no event shall any inspection by CITY be a representation that there has been or will be compliance with this Agreement or that SUBRECIPIENT or its Staff is in compliance with any Federal, state and local laws, ordinances, regulations and directives applicable to the performance of this Agreement or the provision of the Services. SUBRECIPIENT shall make or cause to be made such other independent inspections as SUBRECIPIENT may desire for SUBRECIPIENT's own protection.

4.12 Nepotism.

SUBRECIPIENT shall not hire or permit the hiring of any person to fill a position funded through this Agreement if a member of the person's immediate family is employed in an administrative capacity by CITY's ESG Program or any department of CITY which is administering the ESG Program. For the purposes of this section, the term "immediate family" means spouse, child, mother, father, brother, sister, brother-in-law, sister-in-law, father-in-law, mother-in-law, son-in-law, daughter-in-law, aunt, uncle, stepparent and stepchild. The term "administrative capacity" means having selection, hiring, supervisory or management responsibilities, including serving on the governing body of SUBRECIPIENT.

SECTION 5. INSURANCE AND INDEMNIFICATION.

5.1 Required Insurance.

The SUBRECIPIENT will comply with the following insurance requirements at its sole expense. Insurance companies shall be rated (A Minus: VII—Admitted) or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct business in the State of California:

The SUBRECIPIENT shall procure and maintain, at its sole expense, Workers' Compensation Insurance in such amounts as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for the Contractor and the City, the Housing Authority and CSD against any loss, claim, or damage arising from any injuries or occupational diseases happening to any worker

employed by the SUBRECIPIENT in the course of carrying out the Agreement. This coverage may be waived if the SUBRECIPIENT is determined to be functioning as a sole proprietor and the city provided form "Exception to Worker's Compensation Coverage" is signed, notarized and attached to this Agreement.

General Liability Insurance—to protect against loss from liability imposed by law for damages on account of bodily injury, including death, and/or property damage suffered or alleged to be suffered by any person or persons whomever, resulting directly or indirectly from any act or activities of the SUBRECIPIENT, or any person acting for the SUBRECIPIENT or under its control or direction. Such insurance shall be maintained in full force and effect throughout the terms of the Agreement and any extension thereof in the minimum amounts provided below:

Bodily Injury \$1,000,000 per occurrence/ \$2,000,000 aggregate
Property Damage \$500,000 per occurrence/ \$500,000 aggregate

Professional Errors and Omission Insurance—such coverage shall not be less than \$1,000,000 per claim and aggregate.

Liability and Property Damage Insurance coverage for owned and non-owned automotive equipment operated on City/CSD/Housing Authority premises. Such coverage limits shall not be less than \$1,000,000 combined single limit.

The SUBRECIPIENT may utilize self-insurance to satisfy all of the obligations in this Article related to the required insurance. To the extent that the SUBRECIPIENT relies on its self-insurance to meet its obligations, the SUBRECIPIENT warrants that it satisfies all of the requirements of this Section by virtue of its self-insurance. The intent of this paragraph is to impose on the SUBRECIPIENT all of the same requirements and obligations that would have been imposed on one or more insurance carriers had the SUBRECIPIENT procured the required insurance instead of relying on self-insurance.

5.2 Required Certificates and Endorsements.

A Certificate of Insurance and appropriate additional insured endorsement evidencing the above applicable insurance coverage shall be submitted to the City prior to the execution of this Agreement. The Certificate of Insurance or an appropriate binder shall bear an endorsement containing the following provisions:

Solely as respect to services done by or on behalf of the named insured for the City of Moreno Valley, it is agreed that the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, their officers, employees and agents are included as additional insured under this policy and the coverage(s) provided shall be primary insurance and not contributing with any other insurance available to the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, its officers, employees and agents, under any third party liability policy

SUBRECIPIENT shall provide to CITY certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by CITY, prior to performing any services under this Agreement.

The terms of the insurance policy or policies issued to provide the above coverage shall neither be amended to reduce the required insurance limits and coverages nor shall such policies be canceled by the carrier without thirty (30) days prior written notice by certified or registered mail of amendment or cancellation to the City, except that cancellation for non-payment of premium shall require ten (10) days prior written notice by certified or registered mail. In the event the insurance is canceled, the SUBRECIPIENT shall, prior to the cancellation date, submit new evidence of insurance in the amounts established.

5.3 Indemnification.

SUBRECIPIENT agrees to and shall indemnify and hold the CITY, its elected officials, employees, agents, or representatives, free and harmless from all claims, actions, damages and liabilities of any kind and nature arising from bodily injury, including death, or property damage, based or asserted upon any actual or alleged act or omission of SUBRECIPIENT, its employees, agents, or subcontractors, relating to or in any way connected with the accomplishment of the work or performance of services under this Agreement, unless the bodily injury or property damage was actually caused by the sole negligence of the CITY, its elected officials, employees, agents or representatives. As part of the foregoing indemnity, SUBRECIPIENT agrees to protect and defend at its own expense, including attorney's fees, the CITY, its elected officials, employees, agents or representatives from any and all legal actions based upon such actual or alleged acts or omissions. SUBRECIPIENT hereby waives any and all rights to any types of express or implied indemnity against the CITY, its elected officials, employees, agents or representatives, with respect to third party claims against the SUBRECIPIENT relating to or in any way connected with the accomplishment of the work or performance of services under this Agreement.

SECTION 6. ENFORCEMENT OF AGREEMENT; TERMINATION OF AGREEMENT.

6.1 Events of Default.

For purposes of this Section 6, the word "Default" shall mean the failure of SUBRECIPIENT to perform any of SUBRECIPIENT's duties or obligations or the breach by SUBRECIPIENT of any of the terms and conditions set forth in this Agreement. In addition, SUBRECIPIENT shall be deemed to be in Default upon SUBRECIPIENT's (i) application for, consent to, or suffering of, the appointment of a receiver, trustee or liquidator for all or a substantial portion of its assets, (ii) making a general assignment for the benefit of creditors, (iii) being adjudged bankrupt, (iv) filing a voluntary petition or suffering an involuntary petition under any bankruptcy, arrangement, reorganization or insolvency law (unless in the case of an involuntary

petition, the same is dismissed within thirty (30) days of such filing), or (v) suffering or permitting to continue unstayed and in effect for fifteen (15) consecutive days any attachment, levy, execution or seizure of all or a substantial portion of SUBRECIPIENT's assets or of SUBRECIPIENT's interests hereunder.

CITY shall not be deemed to be in Default in the performance of any obligation required to be performed by CITY hereunder unless and until CITY has failed to perform such obligation for a period of thirty (30) days after receipt of written notice from SUBRECIPIENT specifying in reasonable detail the nature and extent of any such failure; provided, however, that if the nature of CITY's obligation is such that more than thirty (30) days are required for its performance, then CITY shall not be deemed to be in Default if CITY shall commence to cure such performance within such thirty (30) day period and thereafter diligently prosecute the same to completion.

6.2. Institution of Legal Actions.

In addition to any other rights and remedies, and subject to the restrictions otherwise set forth in this Agreement, either Party may institute an action at law or in equity to seek the specific performance of the terms of this Agreement, to cure, correct or remedy any Default, to recover damages for any Default or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the Superior Court of the County of Riverside, State of California.

6.3 Rights and Remedies Are Cumulative.

Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same Default or any other Default by the other Party.

6.4 Inaction Not a Waiver of Default.

Any failures or delays by either Party in asserting any of its rights and remedies as to any Default shall not operate as a waiver of any Default or of any such rights or remedies, or deprive either such Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

6.5 Applicable Law.

The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

6.6 Attorneys' Fees.

CITY and SUBRECIPIENT agree that in the event of litigation to enforce this Agreement or terms, provisions and conditions contained herein, to terminate this

Agreement, or to collect damages for a Default hereunder, the prevailing party shall be entitled to all costs and expenses, including reasonable attorneys' fees, incurred in connection with such litigation.

6.7 Immediate Termination for SUBRECIPIENT's Default.

In the event of any Default by SUBRECIPIENT, CITY may immediately terminate this Agreement. Such termination shall be effective immediately upon receipt by SUBRECIPIENT of written notice from CITY. In such event, SUBRECIPIENT shall have no further rights hereunder; CITY shall have all other rights and remedies as provided by law.

6.8 Termination Without Cause.

CITY may terminate this Agreement at any time without the necessity of cause or Default by SUBRECIPIENT by giving fifteen (15) days' notice in writing to SUBRECIPIENT. In such event, SUBRECIPIENT shall have no further rights hereunder, except that SUBRECIPIENT shall be paid for all Services rendered prior to receipt of notice of such termination.

SECTION 7. DOCUMENTS AND DATA.

7.1 Data to be Furnished by CITY.

CITY shall furnish to SUBRECIPIENT such documents and materials pertinent to the provision of Services hereunder as CITY may possess or acquire.

7.2 Ownership of Documents.

All documents and materials furnished by CITY to SUBRECIPIENT pursuant to Section 7.1 hereof shall remain the property of CITY and shall be returned to CITY upon termination of this Agreement. All documents and materials prepared by SUBRECIPIENT hereunder shall become the property of CITY at the time of payment to SUBRECIPIENT of all fees, if any, for their preparation, and shall be delivered to CITY by SUBRECIPIENT at the request of CITY. The documents and materials prepared by SUBRECIPIENT hereunder shall not be used by CITY or others, except for the purpose for which they were intended. CITY agrees not to associate SUBRECIPIENT's name with any documents or materials not prepared by SUBRECIPIENT.

7.3 Public Records Act.

All information received by CITY concerning this Agreement, including the Agreement itself, may be treated as public information subject to disclosure under the provisions of the California Public Records Act, Government Code Section 6250 et seq. (the "Public Records Act"). The PARTIES understand that although all materials received in

connection with this Agreement are intended for the exclusive use of the PARTIES, they are potentially subject to disclosure under the provisions of the Public Records Act.

SECTION 8. AUDIT OF RECORDS.

SUBRECIPIENT shall keep such books and records as shall be necessary to perform the services required by this Agreement and to enable CITY to evaluate the cost and the performance of such services. Books and records shall be kept and prepared in accordance with generally accepted accounting principles.

CITY shall have the right to audit SUBRECIPIENT's records pertaining to this Agreement and the services to be performed hereunder at SUBRECIPIENT's office location as set forth in Section 9.2 hereof. SUBRECIPIENT agrees to make available all pertinent records for the purpose of conducting such an audit at that location, during normal business hours.

SECTION 9. MISCELLANEOUS PROVISIONS.

9.1 Waiver.

Inaction by CITY or SUBRECIPIENT with respect to a Default hereunder shall not be deemed to be a waiver of such Default. The waiver by either CITY or SUBRECIPIENT of any Default hereunder shall not be deemed to be a waiver of any subsequent Default.

9.2 Notices.

All notices, demands or other writings to be made, given or sent hereunder, or which may be so given or made or sent by either CITY or SUBRECIPIENT to the other shall be deemed to have been given when in writing and personally delivered or if mailed on the third (3rd) day after being deposited in the United States mail, certified or registered, postage prepaid, and addressed to the respective Parties at the following addresses:

If to CITY:

Isa Rojas, Management Analyst
Financial & Management Services
Financial Resources Division
14177 Frederick Street
P.O. Box 88005
Moreno Valley, CA 92552-0805
(951) 413-3450

If to SUBRECIPIENT:

Jill Walker Kowalski, MPA, Administrative Services Manager II
Homeless Programs Unit, Adult Services Division

Riverside County Department of Public Social Services (DPSS)
4060 County Circle
Riverside, CA 92503
(951) 385-5636

9.3 Relationship of Parties.

Nothing contained herein shall be deemed or construed by the Parties, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the Parties, it being understood and agreed that SUBRECIPIENT is and will be at all times an independent contractor pursuant to this Agreement and shall not, in any way, be considered to be an officer, agent or employee of CITY.

9.4 Time of the Essence.

Time is hereby expressly declared to be the essence of this Agreement and of each and every term, covenant and condition hereof which relates to a date or a period of time.

9.5 Remedies Cumulative.

The remedies given to CITY and SUBRECIPIENT herein shall be cumulative and are given without impairing any other rights given CITY or SUBRECIPIENT by statute or law now existing or hereafter enacted and the exercise on any one (1) remedy by CITY or SUBRECIPIENT shall not exclude the exercise of any other remedy.

9.6 Effect of Invalidity.

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of its terms and provisions to persons and circumstances other than those to which it has been held invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

9.7 Successors and Assigns.

This Agreement and the covenants and conditions contained herein shall be binding upon and inure to the benefit of and shall apply to the successors and assigns of CITY and to the permitted successors and assigns of SUBRECIPIENT, and all references to the "CITY" or "SUBRECIPIENT" shall be deemed to refer to and include all permitted successors and assigns of such Party.

9.8 Entire Agreement.

This Agreement and the exhibits hereto contain the entire agreement of CITY and the SUBRECIPIENT with respect to the matters covered hereby, and no agreement, statement or promise made by any of the Parties which is not contained herein, shall be valid or binding. No prior agreement, understanding or representation pertaining to any such matter shall be effective for any purpose. No provision of this Agreement may be amended, modified or added except by an agreement in writing signed by CITY and SUBRECIPIENT.

9.9 Authority.

Each individual executing this Agreement on behalf of a corporation, nonprofit corporation, partnership or other entity or organization, represents and warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of such entity or organization and that this Agreement is binding upon the same in accordance with its terms. SUBRECIPIENT shall, at CITY's request, deliver a certified copy of its governing board's resolution or certificate authorizing or evidencing such execution.

9.10 Conflicts of Interest.

No member, official or employee of CITY shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affect his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested.

9.11 Controlling Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

9.12 Non-Liability of Members, Officials and Employees of CITY.

No member, official or employee of CITY shall be personally liable to SUBRECIPIENT, or any successor in interest, in the event of any Default or breach by CITY or for any amount which may become due to SUBRECIPIENT or SUBRECIPIENT's successors, or on any obligation under the terms of this Agreement. SUBRECIPIENT hereby waives and releases any claim SUBRECIPIENT may have against the members, officials or employees of CITY with respect to any Default or breach by CITY or for any amount which may become due to SUBRECIPIENT or SUBRECIPIENT's successors, or any obligations under the terms of this Agreement. SUBRECIPIENT makes such release with the full knowledge of Civil Code Section 1542 and hereby waives any and all rights thereunder to the extent of this release, if such Section 1542 is applicable. Section 1542 of the Civil Code provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

No member, official, Director or employee of SUBRECIPIENT shall be personally liable to CITY, or any successor in interest, in the event of any Default or breach by SUBRECIPIENT or for any amount which may become due to CITY or CITY’s successors, or on any obligation under the terms of this Agreement. CITY hereby waives and releases any claim CITY may have against the members, officials, Directors or employees of SUBRECIPIENT with respect to any Default or breach by SUBRECIPIENT or for any amount which may become due to CITY or CITY’s successors, or any obligations under the terms of this Agreement. CITY makes such release with the full knowledge of Civil Code Section 1542 and hereby waives any and all rights thereunder to the extent of this release, if such Section 1542 is applicable.

9.13 Effective Date.

Provided that CITY has determined in its sole discretion that SUBRECIPIENT has complied with all prerequisites to this Agreement, this Agreement shall be effective on the date executed by the City Manager, such date shall be the “Effective Date”.

[Remainder of page is intentionally left blank, signature page follows]

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AGREEMENT AS OF THE RESPECTIVE DATES SET FORTH BELOW.

“SUBRECIPIENT”
COUNTY OF RIVERSIDE DEPARTMENT OF PUBLIC SOCIAL SERVICES,
HOMELESS PROGRAMS UNIT:

By: _____

Its: _____

Date: _____

FORM APPROVED COUNTY COUNSEL
BY: Eric Stopher 1/5/16
ERIC STOPHER DATE

APPROVED AS TO FORM:

By: _____

“CITY”
CITY OF MORENO VALLEY

By: _____

Date: _____

APPROVED AS TO FORM:

By: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

)

COUNTY OF _____)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Name: _____

Name: Notary Public

EXHIBIT A

Scope of Services

SERVICES TO BE PROVIDED

ESG funding will be utilized by the SUBRECIPIENT to provide “Homeless Management Information Systems” Activities as prescribed in 24 CRF 576.107 HMIS Component. This includes the use of ESG Funds to pay the costs of contributing data to the information system designated by the Continuum of Care to comply with HUD’s data collection, management, and reporting standards and used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness.

BUDGET

The total budget from the CITY is **\$5,000** as set forth in Exhibit “B”.

WRITTEN STANDARDS

As required as a provision of ESG, the CITY will require the SUBRECIPIENT to have established and implement written standards for the ESG program. The standards shall include:

1. Policies and procedures for evaluating individuals for evaluating individuals and families eligibility for assistance under ESG;
2. Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance;
3. Policies and procedures for coordination among emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing assistance providers and mainstream service and housing providers;
4. Standards for determining the share of rent and utilities cost that each program participant must pay, if any, while receiving homeless prevention and rapid re-housing assistance;
5. Standards for determining how long a particular program participant will be provided with rental assistance and whether the amount of that assistance will adjusted over time;
6. Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide a program participant, including any limits on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participant receives assistance, or the maximum number of times the program participant may receive assistance.

REPORTS

SUBRECIPIENT will submit Monthly Reports to the CITY which are due 15 days after the end of the month. The reports will include a summary of services and/or grant related expenses for the period and supportive documentation such as applicable HMIS reports. Reports are due throughout the program year regardless if funding has been expended prior to the end of the program year.

PERFORMANCE MEASUREMENT SYSTEM

SUBRECIPIENT shall collaborate with the CITY to establish a benchmark measure of program performance (goals and accomplishments) and to implement a method for obtaining measurable output data to document overall program success.

REIMBURSEMENT

SUBRECIPIENT will submit Monthly Reimbursement Requests to the CITY which will include all year-to-date program costs related to services provided for under this agreement. Requests are due 15 days after the end of the month.

The CITY will reimburse for all documented and allowable expenses as defined in this agreement within 30 days after review and approval of the program reports and an invoice for expenses covering the period requested.

PROGRAM REVIEW

The CITY will monitor, review and evaluate the performance of the Subrecipient as it relates to this agreement. Such monitoring will occur quarterly (in the form of desktop monitoring), with on-site visits occurring at least annually. For the purpose of the annual on-site monitoring visit, the SUBRECIPIENT shall be responsible for insuring that both the program records and the financial records shall be available for review at a single prearranged location.

PROMOTION

- A. SUBRECIPIENT shall identify the CITY as a co-sponsor of the program through new literature and community presentations.
- B. SUBRECIPIENT shall identify specific efforts taken to promote community awareness of program services in the monthly report.

EXHIBIT B

BUDGET

Administration

Salary and Fringes \$ 5,000

Lease/Space Costs \$ 0.00

Supplies \$ 0.00

Professional Services:
\$ 0.00

Travel \$ 0.00

Utilities \$ 0.00

Insurance \$ 0.00

Office Equipment (phones & internet) \$ 0.00

Other (minor repairs & general maintenance) \$ 0.00

Printed Supplies (marketing) \$ 0.00

TOTAL PROJECT COST: \$ 5,000

TOTAL REQUIRED MATCH: \$5,000

EXHIBIT C

COVENANTS RE: USE OF FEDERAL FUNDS

SUBRECIPIENT acknowledges and agrees that the Grant is funded from ESG Funds allocated to CITY by HUD on behalf of the United States of America. Accordingly, SUBRECIPIENT covenants and agrees as follows:

SECTION 1. COMPLIANCE WITH ESG REGULATIONS.

SUBRECIPIENT hereby covenants and agrees that it will comply with the ESG Regulations, including, but not limited to, the following ESG Program requirements:

- (a) Work with CITY to coordinate and integrate, to the maximum extent practicable, its Scope of Services with Targeted Homeless Programs (See 24 CFR 576.400(b)) and Mainstream Resources (See 24 CFR 576.400(c));
- (b) Work with CITY and the Continuum of Care to ensure the screening, assessment and referral of Program Participants is consistent with the Written Standards for Providing ESG Assistance (See 24 CFR 576.400(d));
- (c) Work with CITY to ensure that data on all persons served and all activities assisted under the ESG Program are entered into the HMIS in accordance with HUD's standards on participation, data collection, and reporting (See 24 CFR 576.400(f));
- (d) Conduct an initial evaluation to determine the eligibility of each individual or family's eligibility for ESG assistance and the amount and types of assistance the individual or family needs to regain stability in permanent housing (See 24 CFR 576.401(a));
- (e) Re-evaluate the program participant's eligibility and the types and amounts of assistance the program participant needs not less than once every three (3) months for Program Participants receiving homelessness prevention assistance, and not less than once annually for Program Participants receiving rapid re-housing assistance in accordance with 24 CFR 576.401(b));
- (f) Assist each program participant, as needed, to obtain the mainstream and other resources described in 24 CFR 576.401(d); and
- (g) While providing homelessness prevention or rapid re-housing assistance to a program participant, provide housing stability case management in accordance with 24 CFR 576.401(e).

SECTION 2. CIVIL RIGHTS ACT.

SUBRECIPIENT shall comply with the Civil Rights Act of 1964, as amended, and all regulations applicable thereto.

Section 3. Training and Employment Opportunities; Section 3 Requirements.

SUBRECIPIENT acknowledges that the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u and the regulations issued pursuant thereto by the U.S. Secretary of Housing and Urban Development as set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this Agreement ("Section 3") are applicable to any work of conversion, major rehabilitation, or other renovation for which ESG Funds are used by SUBRECIPIENT under this Agreement. Section 3 requires, that to the greatest extent feasible, opportunities for training and employment be given to lower income residents and that contracts for any work of conversion, major rehabilitation, or other renovation be awarded to business concerns which are located in, or owned in substantial part by, persons residing in the area of the project; provided, however, that the ESG Regulations and, specifically, 24 CFR 576.405(c) and 24 CFR 576.407(a) require SUBRECIPIENT to involve homeless individuals and families, to the maximum extent practicable and as a priority over other Section 3 residents, in constructing, renovating, maintaining and operating facilities assisted under the ESG Program, in providing services for occupants of facilities assisted under the ESG Program, and in providing services for occupants of facilities assisted under the ESG Program, which involvement may include employment or volunteer services. SUBRECIPIENT shall comply with the provisions of Section 3 and, to the maximum extent practicable, the provisions of 24 CFR 576.405(c) and 24 CFR 576.407(a).

3.1 Notice to Labor Organizations.

For any work of conversion, major rehabilitation, or other renovation undertaken by SUBRECIPIENT pursuant to this Agreement, SUBRECIPIENT shall send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising such labor organization or workers' representative of its commitments under the Section 3 clause (set forth in Section 3.2 of this Exhibit), as modified, amended and supplemented by the provisions of 24 CFR 576.405(c) and 24 CFR 576.407(a), and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

3.2 Include in Subcontracts.

SUBRECIPIENT shall include a Section 3 clause in every subcontract for any work of conversion, major rehabilitation, or other renovation undertaken by SUBRECIPIENT pursuant to this Agreement, and shall, at the direction of the applicant for or recipient of federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR Part 135. SUBRECIPIENT shall not

subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and shall not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of said regulations.

3.3 Sanctions.

Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, the provisions of 24 CFR 576.405(c) and 24 CFR 576.407(a), and all applicable rules and orders of the Department issued thereunder prior to the execution of this Agreement shall be a condition of the federal financial assistance provided for any work of conversion, major rehabilitation, or other renovation undertaken by SUBRECIPIENT pursuant to this Agreement, binding upon the applicant or recipient for such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject SUBRECIPIENT, its subcontractors, its successors, and assigns to those sanctions as are specified by 24 CFR Part 135.

SECTION 4. CONFLICTS OF INTEREST.

SUBRECIPIENT and all contractors of SUBRECIPIENT must comply with the requirements of 24 CFR 576.404.

SECTION 5. CERTIFICATION REGARDING LOBBYING.

SUBRECIPIENT certifies, to the best of its knowledge and belief, that:

- (a) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or any employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence any officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or any employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, SUBRECIPIENT shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (c) SUBRECIPIENT shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontractors,

subgrants, and contracts under grants, loans, and cooperative agreements), and that all Sub-subrecipients' shall certify and disclose accordingly.

SECTION 6. DRUG FREE WORKPLACE.

6.1 Certification.

SUBRECIPIENT hereby certifies to CITY that SUBRECIPIENT will provide a drug-free workplace by:

- (a) publishing a statement notifying its employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in SUBRECIPIENT'S workplace and specifying the actions that will be taken against employees for violations of such prohibition;
- (b) Establishing a drug-free awareness program to inform employees about:
 - (i) the dangers of drug abuse in the workplace;
 - (ii) SUBRECIPIENT'S policy of maintaining a drug-free workplace;
 - (iii) any available drug counseling, rehabilitation, and employee assistance program; and
 - (iv) the penalties that may be imposed upon employees for drug abuse violations;
- (c) making it a requirement that each employee to be engaged in the performance of Services under this Agreement be given a copy of the statement required by subparagraph (a);
- (d) notifying the employee in the statement required by subparagraph (a), that as a condition of employment, the employee will:
 - (i) abide by the terms of this statement; and
 - (ii) notify SUBRECIPIENT of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- (e) notifying CITY within ten (10) days after receiving notice of a conviction under subparagraph (d)(ii) from an employee or otherwise receiving actual notice of such conviction;

- (f) imposing a sanction on, or requiring the satisfactory participation in a drug abuse assistance or rehabilitation program by, any employee who is so convicted, as required by 41 U.S.C. 703; and
- (g) making a good faith effort to continue to maintain a drug-free workplace through implementation of subparagraphs (a), (b), (c), (d), (e), and (f).

6.2. Suspension.

SUBRECIPIENT acknowledges and agrees that this Agreement shall be subject to suspension of payment or termination, or both, and SUBRECIPIENT shall be subject to suspension or debarment if the Director of CITY or his official designee determines, in writing, that:

- (a) SUBRECIPIENT has made false certification under Section 6.1;
- (b) SUBRECIPIENT violates such certification by failing to carry out the requirements of Section 6.1; or
- (c) such a number of SUBRECIPIENT's employees have been convicted of violations of criminal drug statutes for violations occurring in the workplace as to indicate that SUBRECIPIENT has failed to make a good faith effort to provide a drug-free workplace as required by Section 6.

SECTION 7. USE OF DEBARRED, SUSPENDED OR INELIGIBLE CONTRACTORS.

SUBRECIPIENTS shall comply with the provisions of 24 CFR Part 24 relating to the prohibition on employment, engagement of services, awarding of contracts, or funding of any contractors or subcontractors during any period of debarment, suspension, or placement in ineligibility status.

SECTION 8 MATCHING FUNDS AND REVERSION OF ASSETS

8.1. Matching Funds.

SUBRECIPIENT shall provide matching supplemental funds required by 24 CFR 576.201 and as described in the Scope of Services. For the purposes of this agreement, the amount of the required match is valued at \$5,000.

8.2. Reversion of Assets.

Upon the expiration or termination of this Agreement, SUBRECIPIENT shall transfer to CITY any ESG Funds on hand and any accounts receivable attributable to the use of ESG Funds. Matching funds supplied by SUBRECIPIENT pursuant to the requirements of this Agreement shall revert back to SUBRECIPIENT.

SECTION 9. PROGRAM INCOME.

Program Income shall have the meaning provided in Exhibit D to this Agreement.

SECTION 10. NO DISABILITY.

SUBRECIPIENT certifies and agrees that it is under no contractual or other disability which would prevent it from complying with all pertinent laws and regulations.

SECTION 11. PATENTS AND COPYRIGHTS.

SUBRECIPIENT acknowledges and agrees that HUD reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government purposes:

- (a) The copyright in any work developed under the Grant or this Agreement;
- (b) Any rights of copyright to which SUBRECIPIENT purchases ownership with Grant Proceeds;
- (c) The patent for any invention developed under the Grant or this Agreement; and
- (d) Any rights in any patent to which SUBRECIPIENT purchases ownership with Grant Proceeds.

SECTION 12. RECORDS, REPORTING AND MONITORING.

12.1 Records and Reports.

In addition to the recordkeeping and reporting requirements set forth in 24 CFR 576.500, SUBRECIPIENT hereby agrees to and shall prepare and submit financial, ESG Program progress, monitoring, evaluation, personnel, property and financial records and other reports as required by CITY and in the format acceptable to CITY to assure proper accounting of all Federal and non-Federal project funds. SUBRECIPIENT shall furnish such information which, in the judgment of CITY's Representative, may be relevant to questions of compliance with contractual conditions hereunder or granting agency directives, or with the effectiveness, legality and goals of the program. SUBRECIPIENT will establish a record keeping system which is consistent with 24 CFR 570.506 and 570.507. Such records shall be maintained and available to CITY for at least three (3) years following the completion of the program.

SUBRECIPIENT will submit monthly reports to CITY specifying Program Income earned. Each report shall contain, or be accompanied by, an itemized statement showing all information required by CITY, including, without limitation:

- A. The amount expended or incurred by SUBRECIPIENT and due and payable for the Services for such reporting month.
- B. The revenue generated by SUBRECIPIENT and the source of such revenue for each reporting month.
- C. A statement showing for each reporting month: (i) a description of each of the Program Participants serviced, (ii) the number of the Program Participants receiving shelter at the Shelters, (iii) the type of counseling session conducted, the number of each type of counseling sessions conducted, and the number of the Program Participants attending each such counseling session, (iv) the type of educational sessions conducted, the number of each type of educational session conducted, and the number of the Program Participants attending each such educational session, and (v) a monthly narrative which specifies any additional services provided.

The monthly report for the last month of the fiscal year of the Term of the Agreement ending June 30 shall also include SUBRECIPIENT's financial statement for the immediately preceding year, accompanied by an annual audit report of SUBRECIPIENT's financial statement for the immediately preceding year.

Each report shall be certified as complete and correct by the executive director of SUBRECIPIENT.

12.2 Monitoring.

CITY will conduct periodic program monitoring reviews of the documentation, reports and records specified under 24 CFR 576.500. These reviews will focus on the extent to which the planned program has been implemented and measurable goals achieved, effectiveness of program management, impact of the program, and compliance with the recordkeeping and reporting requirements of 24 CFR 576.500. Authorized representatives of CITY and HUD shall have the right of access to all activities and facilities operated by SUBRECIPIENT under this Agreement. Facilities include all files, records, and other documents related to the performance of this Agreement. Activities include attendance at staff, board of directors, advisory committee, and advisory board meetings and inspection by CITY and HUD representatives. SUBRECIPIENT shall ensure that its employees and board members furnish such information as, in the judgment of CITY and HUD representatives, may be relevant to the question of compliance with contractual conditions and HUD directives, or the effectiveness, legality, and achievements of the program.

12.3 Accounting.

SUBRECIPIENT shall establish, and maintain on a current basis, an adequate accrual and accounting system in accordance with generally accepted accounting principles and standards.

12.4 Audits.

SUBRECIPIENT is required to arrange for an independent financial and compliance audit annually for each fiscal year Federal funds are received under this Agreement. Audits must be in compliance with O.M.B. Circular No. A-133. An audit may be conducted by Federal, State, or local funding source agencies as part of CITY's audit responsibilities. The results of the independent audit must be submitted to CITY within thirty (30) days of completion. Within thirty (30) days of the submittal of said audit report, SUBRECIPIENT shall provide a written response to all conditions of findings reported in said audit report. The response must examine each condition or finding and explain a proposed resolution, including a schedule for correcting any deficiency. All conditions or finding corrective actions shall take place within six (6) months after receipt of the audit report. CITY and its authorized representatives shall at all times have access for the purpose of audit or inspection to any and all books, documents, papers, records, property, and premises of SUBRECIPIENT. SUBRECIPIENT staff will cooperate fully with authorized auditors when they conduct audits and examinations of SUBRECIPIENT's program.

If indications of misappropriation or misapplication of the funds granted under this Agreement cause CITY to require a special audit, the cost of the audit will be encumbered and deducted from the Grant. Should CITY subsequently determine that the special audit was not warranted, the amount encumbered will be restored to the Grant. Should the special audit confirm misappropriation or misapplication of funds, SUBRECIPIENT shall promptly reimburse CITY the amount of misappropriation or misapplication. In the event CITY uses the judicial system to recover misappropriated or misapplied funds, SUBRECIPIENT shall reimburse CITY for legal fees and court costs incurred in obtaining the recovery.

SUBRECIPIENT agrees that in the event the program established hereunder is subjected to audit exceptions by appropriate federal audit agencies, it shall be responsible for complying with such exceptions and paying CITY the full amount of CITY's liability to the funding agency resulting from such audit exceptions.

12.5 Confidentiality of Records.

SUBRECIPIENT shall adhere to the requirements of 24 CFR 576.500(x) and any written procedures developed by CITY and provided to SUBRECIPIENT from time to time during the Term of the Agreement.

SECTION 13. PROPERTY ACQUISITION DURING TERM.

13.1 Non-Expendable Property.

A record shall be maintained by SUBRECIPIENT for each item of non-expendable property acquired for this program with Grant Proceeds. This record shall be provided to

CITY as well as being available for inspection and audit upon the request of CITY. Non-expendable property means tangible personal property having a useful life of more than one (1) year and an acquisition cost of Three Hundred Dollars (\$300.00) or more per unit. SUBRECIPIENT shall not purchase or agree to purchase non-expendable property without the prior written approval of CITY. Upon completion or early termination of this Agreement, CITY reserves the right to determine the final disposition of such non-expendable property in compliance with applicable laws and regulations. Such disposition may include, but is not limited to, CITY taking possession of such non-expendable property.

13.2 Expendable Property.

Expendable property refers to all tangible personal property other than non-expendable personal property. SUBRECIPIENT shall not purchase or agree to purchase expendable personal property at a cost of Three Hundred Dollars (\$300.00) or more per unit without the prior written approval of CITY.

13.3 Purchase or Lease of Non-Expendable Property or Equipment.

SUBRECIPIENT shall obtain three documented bids prior to purchasing or leasing any non-expendable property or equipment over Three Thousand Dollars (\$3000.00) in unit value. SUBRECIPIENT shall purchase or lease from the lowest responsive and responsible bidder. All equipment that has a purchase or lease price of over Two hundred Fifty Dollars (\$250.00) in unit-value and life expectancy of more than one (1) year shall be properly identified and inventoried and shall be charged at its actual price. Such inventory shall be provided to CITY as well as being available for inspection and audit upon the request of CITY.

SECTION 14. TRAVEL AND CONFERENCE RESTRICTIONS.

SUBRECIPIENT covenants and agrees that travel and conference expenses will not be paid for by funds provided through this Agreement.

SECTION 15. PRIVACY.

In addition to the requirements set forth in the ESG Regulations, SUBRECIPIENT agrees and shall ensure that no information about or obtained from any person receiving services hereunder shall be voluntarily disclosed in any form identifiable with such person without first obtaining the written consent of such person.

EXHIBIT D

CITY OF MORENO VALLEY SUPPLEMENTARY GENERAL CONDITIONS

The following provisions, pursuant to 44 Code of Federal Regulations, Part 13, Subpart C, Section 13.36, as it may be amended from time to time, are included in the Agreement and are required to be included in all subcontracts entered into by the Subrecipient, for work pursuant to the Agreement, unless otherwise expressly provided herein. These provisions supersede any conflicting provisions in the General Conditions and shall take precedence over the General Conditions for purposes of interpretation of the General Conditions. These provisions do not otherwise modify or replace General Conditions not in direct conflict with these provisions. Definitions used in these provisions are as contained in the General Conditions.

- (1) SUBRECIPIENT shall be subject to the administrative, contractual, and legal remedies provided in the General Conditions in the event SUBRECIPIENT violates or breaches terms of the Agreement.
- (2) CITY may terminate the Agreement for cause or for convenience, and SUBRECIPIENT may terminate the Agreement, as provided the General Conditions.
- (3) SUBRECIPIENT shall comply with Executive Order 11246 of September 24, 1965, entitled Equal Employment Opportunity, as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of \$5,000 by CITY and/or subcontracts in excess of \$5,000 entered into by SUBRECIPIENT.)
- (4) SUBRECIPIENT shall comply with the Copeland Anti-Kickback Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3) (All contracts and subcontracts for construction or repair.)
- (5) SUBRECIPIENT shall comply with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR Part 5).
- (6) SUBRECIPIENT shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327330) as supplemented by Department of Labor regulations (29 CFR Part 5).

- (7) SUBRECIPIENT shall observe CITY requirements and regulations pertaining to reporting included in the General Conditions.
- (8) Patent rights with respect to any discovery or invention which arises or is developed in the course of or under the Agreement shall be retained by the CITY.
- (9) Copyrights and rights in data developed in the course of or under the Agreement shall be the property of the CITY. FEMA/CalOES reserve a royalty-free, nonexclusive, irrevocable license to reproduce, publish or otherwise use or authorize to others to use for federal purposes a copyright in any work developed under the Agreement and/or subcontracts for work pursuant to the Agreement.
- (10) SUBRECIPIENT shall provide access by the CITY, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the SUBRECIPIENT which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
- (11) SUBRECIPIENT shall retain all required records for three years after CITY makes final payments and all other pending matters relating to the Agreement are closed.
- (12) SUBRECIPIENT shall comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (This provision applies to contracts exceeding \$100,000 and to subcontracts entered into pursuant to such contracts.)
- (13) SUBRECIPIENT shall comply with mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94163, 89 Stat. 871).