

**SUBMITTAL TO THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

622



FROM: | Housing Authority |

SUBMITTAL DATE:
| April 8, 2010 |

SUBJECT: | Housing Opportunities for Persons with AIDS (HOPWA) Contract of Services Awards |

RECOMMENDED MOTION: | That the Board of Commissioners:

1. Approve the Contracts of Services awarded to Desert AIDS Project, Foothill AIDS, and Catholic Charities to serve as service providers for the HOPWA program in Riverside County;
2. Authorize the Housing Authority Executive Director or designee to sign the Contracts of Services with Desert AIDS Project, Foothill AIDS, and Catholic Charities; and
3. Authorize the Housing Authority Executive Director or designee to take all necessary steps to implement these Contracts including, but not limited to signing subsequent and necessary documents. |

BACKGROUND: (Commences on page 2) |

Robert Field

Robert Field
Executive Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 388,080	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2009/2010

SOURCE OF FUNDS: U.S. Department of Housing and Urban Development	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/6 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

Jennifer L. Sargent
By: _____

County Executive Office Signature: Jennifer L. Sargent

MINUTES OF THE HOUSING AUTHORITY BOARD OF COMMISSIONERS

On motion of Commissioner Tavaglione, seconded by Commissioner Benoit and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Tavaglione, Benoit, and Ashley
Nays: None
Absent: Buster and Stone
Date: May 4, 2010
xc: Housing Authority

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

Prev. Agn. Ref.: | 10.1 |

District: | All |

Agenda Number: | |

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

10.1

FORM APPROVED COUNTY COUNSEL
BY: *Michelle Clack*
DATE: 4/28/10
MICHELLE CLACK
Departmental Concurrence

Policy

Consent

Dept't Recomm.:
Per Exec. Ofc.:

BACKGROUND: The U.S. Department of Housing and Urban Development (HUD) has sponsored a program titled Housing Opportunities for Person with AIDS (HOPWA). This program provides localities with financial resources to devise long-term comprehensive strategies for meeting the housing needs of low income, HIV positive individuals and their families. The City of Riverside, as grantee for the Riverside-San Bernardino service area, has awarded the Housing Authority \$1,059,001 to serve as the HOPWA Project Sponsor for Riverside County. The Housing Authority issued a Request for Proposals in March, 2009 to secure local service providers to administer HOPWA services in Riverside County. HOPWA services include supportive services to ensure successful housing outcomes; tenant based rental assistance; project based rental assistance; short term assistance with rent, mortgage, and utilities; and housing information services. The following agencies submitted successful proposals and have been recommended for funding for Fiscal Year 2009/2010 in the following amounts: Desert AIDS Project, \$266,680; Foothill AIDS Project, \$32,900; and Catholic Charities, \$88,500. The total value of the contracted services is \$388,080 which represents 36% of the Housing Authority's annual HOPWA budget.

WHEN DOCUMENT IS FULLY EXECUTED RETURN
CLERK'S COPY
to Riverside County Clerk of the Board, Stop 1010
Post Office Box 1147, Riverside, Ca 92502-1147
Thank you.

**HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)
CONTRACT OF SERVICES BETWEEN
HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE AND
DESERT AIDS PROJECT (DAP)**

THIS CONTRACT, made and entered into this ____ day of _____, 2010, in the State of California, by and between Housing Authority of the County of Riverside (HACR) and Desert AIDS Project, hereafter called the CONTRACTOR as follows:

PURPOSE

The purpose of this CONTRACT is to provide persons with Acquired Immunodeficiency Syndrome (AIDS) or related diseases who are low-income and their families with:

- A. short-term housing assistance designed to prevent homelessness,
- B. supportive services-permanent housing placement
- C. Project Based assistance

2. DEFINITION OF TERMS

- A. Grantee - The person or legal entity to which a grant is awarded and that is accountable for the use of the funds. In this case: The City of Riverside.
- B. Project Sponsor - Any private, non-private or governmental agency that receives funds from the Grantee to carry out eligible activities identified in Chapter 24 of the Code of Federal Regulations, Part 574. In this case: The Housing Authority of the County of Riverside (HACR).
- C. CONTRACTOR - The actual provider of eligible activities identified in the application.

3. TERM OF CONTRACT

All activities included in this CONTRACT of Services shall be in accordance with the following, as they from time to time may be amended:

- Chapter 24 of the Code of Federal Regulations Part 574 (the Regulations); and
- the Housing Opportunities for Persons with AIDS Grant Agreement (the Agreement) between the United States Department of Housing and Urban Development and the City of Riverside; and
- the Agreement between the City of Riverside and the Housing Authority of the County of Riverside.

All of the above-mentioned documents are available for review in the HACR offices or in the Office of the City Clerk, City of Riverside; 3900 Main Street; Riverside, CA 92522.

MAY 04 2010

10. 1

The Term of this CONTRACT shall begin on **July 1, 2009** and shall continue until the funds are expended or until **June 30, 2010**, whichever comes first. The term of this CONTRACT may be extended on an annual basis following the submission of a CONTRACT Amendment, if approved and signed by both the CONTRACTOR and the HACR.

4. BUDGET AND SCOPE OF WORK

The attached (**Exhibit A**) "**Budget/Invoice**" and "**Scope of Work**" is incorporated and made a part hereof by this reference. Reimbursements will be based on actual costs incurred.

5. REIMBURSEMENT PROCEDURE

The CONTRACTOR shall submit a monthly invoice for actual expenses incurred in providing the contracted services along with appropriate documentation of expenditures (receipts, copies of checks issued, time cards, travel expense, etc). The "Participant Profile" (**Exhibit B**) must be completed monthly and submitted with each invoice to the HACR for reimbursement. The Project Sponsor shall reimburse the CONTRACTOR for all documented expenses deemed acceptable which are in accordance with (**Exhibit A**) and (**Exhibit H**) the "Regulations".

The Invoice and the Participant Profile must be submitted within **seven (7) days** of the end of the reporting period. Expenditures may not be reimbursed if the documentation is not received in a timely manner.

Reimbursement to the CONTRACTOR is contingent upon the Grantee receiving funds from the US Department of Housing and Urban Development and the HACR receiving funding from the Grantee.

6. REPORTING REQUIREMENTS

- A. The Invoice, appropriate documentation of expenditures and the Participant Profile shall be submitted to HACR monthly as mentioned in Paragraph 5 above.
- B. The CONTRACTOR must submit documentation of the service provided utilizing the participant's name as a condition of reimbursement. This requires that the CONTRACTOR develop a document for the participant to sign allowing him/her to acknowledge that, although the strictest confidentiality is observed, their name will be given to the Project Administrator and Grantee as a condition of receiving the service.
- C. Acceptance of this award indicates the CONTRACTOR's assurance to comply with future data requirements as they are developed by Federal and local program staff and representatives.

7. ALLOCATION OF FUNDS

A. The maximum amount payable to the CONTRACTOR via this CONTRACT is as follows:

FY09/10	Short-term housing/utility assistance	\$119,000.00
FY09/10	Project Based Assistance	\$ 72,960.00
FY09/10	Supportive Services-Permanent Housing Placement	\$ 74,720.00

B. The CONTRACTOR agrees that if, during the term of this CONTRACT, HACR determines that the maximum amount specified in 7A of this CONTRACT will not be expended, HACR reserves the right to reduce the CONTRACT amount as determined by review of the Invoices. Reductions will be made in accordance with the provisions outlined in Paragraph 9 entitled CONTRACT AMENDMENT, or Paragraph 10 entitled CONTRACT TERMINATION.

8. CONDITIONS OF CONTRACT

A. Only eligible costs directly incurred during the provision of services listed in Section 7A above (see 24CFR574.300) will be eligible for reimbursement.

B. As per the **Guidelines for Eligibility (Exhibit I)** and in order to provide short-term housing assistance, the CONTRACTOR agrees to:

1. Obtain verification of client's income and diagnosis in order to determine client eligibility.
2. Assess the client's needs.
3. Research internal documents showing the past amounts of assistance and the time-frame covered by this assistance.
4. Contact other providers of HOPWA-funded short-term rent, mortgage, and utility payments in order to ensure that the client does not receive short-term housing assistance in excess of 21 weeks out of any 52 week period (see 24 CFR574.330.a.1).
5. Provide only assistance necessary to prevent homelessness, up to a maximum of 21 weeks out of 52 (see 24CFR574.330.a.1).

C. The CONTRACTOR will have a TB/HIV policy for their staff and volunteers, as is required by the State of California's OSHA guidelines.

9. CONTRACT AMENDMENT

CONTRACT amendments may be approved during this funding cycle. Requests for amendments must be in writing and include a justification for the amendment. Within 30 calendar days of receipt of the request, HACR will accept or reject the proposed change(s) in writing. Once accepted, the CONTRACT shall be amended to provide the change(s) mutually agreed upon. Amendments must be in writing and properly signed and executed by both parties.

10. ASSIGNMENT OF THE AGREEMENT

This agreement shall not be assignable by the CONTRACTOR as to any rights or duties hereunder without the prior written consent of HACR, and any assignment attempted in violation of this provision, or any involuntary assignment, shall give HACR cause to terminate and cancel this agreement the same as for a breach thereof.

11. CONTRACT TERMINATION

- A. This CONTRACT may be terminated in whole or in part without cause by either party upon 30 days advance written notice to the other party. Such notification shall state the effective date of termination. In the event of such termination, in full or in part, the CONTRACTOR shall take immediate steps to reduce the incurred costs. CONTRACTOR shall be entitled to payment of all costs and non-negotiable obligations allowed under the terms of this CONTRACT incurred to the date of termination in an amount not to exceed the maximum allowable under Paragraph 7A.
- B. HACR may immediately, upon notice, terminate this CONTRACT in whole or in part for cause, included but not limited to, CONTRACTOR failing to materially perform the services promised in this CONTRACT. In the event of such termination, HACR shall be relieved of the payment of any consideration to CONTRACTOR for the terminated portion of the agreement. HACR may proceed with the terminated work in any manner deemed proper. The cost to HACR shall be deducted from any sum due to CONTRACTOR under this agreement.

12. MONITORING ACTIVITIES

The CONTRACTOR shall provide any necessary assistance to HACR in carrying out its monitoring activities and inspection rights as provided in this CONTRACT. The CONTRACTOR shall make available all records, materials, data, information, and appropriate staff to authorized State, Federal and/or HACR representatives, and shall cooperate fully in the monitoring and audit process.

13. PUBLICITY

CONTRACTOR agrees to submit to HACR, prior to release, copies of any proposed publicity pertaining to this CONTRACT. HACR reserves the right to modify or withdraw said publicity.

14. APPLICABLE LAW AND SEVERABILITY

The CONTRACT shall, in all respects, be governed by the laws of the State of California applicable to agreements executed and to be wholly performed within the State of California. Nothing contained herein shall be construed so as to require the commission of any act to the contrary to law, and whenever there is any conflict between any provision contained herein and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to CONTRACT, the latter shall prevail but the provision of this document which is affected shall be curtailed and limited only to the extent necessary to bring it within the requirement of the law.

15. ENTIRETY CLAUSE

The parties hereto agree that this Agreement is a final expression of their understanding with respect to content and may be changed or modified only upon written consent of said parties. The representative authorized to sign on behalf of the HACR is the Assistant Executive Officer/EDA or designee.

16. INDEPENDENT CONTRACTOR

HACR retains CONTRACTOR on an independent CONTRACTOR basis. CONTRACTOR is not, and shall not be considered to be in any manner, an employee, agent or representative of the HACR. Personnel performing the Services under this Agreement on behalf of CONTRACTOR shall at all times be under CONTRACTOR'S exclusive direction and control. CONTRACTOR shall pay all wages, salaries and other amounts due such personnel in connection with their performance of Service and as required by law. CONTRACTOR shall be responsible for all reports and obligations respecting such personnel, including but not limited to, social security taxes, income tax withholdings, unemployment insurance, and workers' compensation insurance.

17. VENUE

Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this CONTRACT shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

18. AUTHORITY TO EXECUTE

The persons executing this CONTRACT on behalf of the parties warrant and represent that they have the authority to execute this CONTRACT on behalf of each respective party and further warrant and represent that they have the authority to bind each respective party to the performance of its obligation hereunder.

19. PROGRAM ADMINISTRATION

The HACR shall be contacted regarding any revisions, modifications or waivers affecting this CONTRACT. All invoices for payment and other official communications, shall be mailed to:

**HOPWA
David Maud
Housing Authority of the County of Riverside
5555 Arlington Avenue
Riverside, California 92504
(760) 863-2833**

20. FISCAL DOCUMENTATION

- A. Adequate documentation of each transaction shall be maintained for a period of four (4) years or until an audit is completed, whichever comes first.
- B. If the eligibility of expenditures cannot be determined because records or documentation of the CONTRACTOR are nonexistent or inadequate, according to generally accepted accounting practices, the questionable cost shall be disallowed by HACR.

21. MEETINGS

The CONTRACTOR shall make staff available to HACR for training and meetings which HACR may find necessary from time to time.

22. CONFIDENTIALITY

Records relating to any program activity, service, or category executed in reference to this CONTRACT containing personally identifying information, which were developed or acquired by local public health agencies shall be confidential and shall not be disclosed, except as otherwise provided by law for public health purposes or pursuant to a written authorization by the person who is the subject of the record or by his or her guardian or conservator.

CONTRACTOR understands that the Participant Profile, including the clients' names, must be completed in a timely manner as a condition of reimbursement of funds expended. The CONTRACTOR will obtain permission from the program participant (or their guardian or conservator) to release their name to the program sponsor as a condition of receiving the service. Both the HACR and the CONTRACTOR will take every precaution to protect the privacy of the program participants.

23. Insurance

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

A. Workers' Compensation:

If the 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. The policy shall be endorsed to waive subrogation in favor of the HACR, and, if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement.

B. 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 and employment practices liability, covering claims which may arise from or out of CONTRACTOR's performance of its obligations hereunder. Policy shall name the HACR, the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board Commissioners, Board of Supervisors, employees, elected or appointed officials, agents or representatives and the City of Riverside 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.

C. Vehicle Liability:

If CONTRACTOR's vehicles or mobile equipment are used in the performance of the obligations under this CONTRACT, then 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 the HACR, the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives and the City of Riverside as Additional Insureds.

D. Professional Liability Insurance:

CONTRACTOR shall maintain Professional Liability Insurance providing coverage for the CONTRACTOR's performance of work included within this CONTRACT, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If CONTRACTOR'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 CONTRACT and CONTRACTOR shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this CONTRACT; or 3) demonstrate through Certificates of Insurance that CONTRACTOR has Maintained continuous

coverage with the same or original insurer. Coverage provided under items; 1), 2) or 3) will continue for a period of five (5) years beyond the termination of this CONTRACT.

E. 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 A: VIII (A:8) unless such requirements are waived, in writing, by the County of Riverside Risk Manager. If the County of Riverside'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 its insurance deductibles or self-insured retentions. If such deductibles or self-insured retentions exceed \$500,000 per occurrence such deductibles and/or retentions shall have the prior written consent of the County of Riverside Risk Manager before the commencement of operations under this CONTRACT. Upon notification of deductibles or self insured retention's unacceptable to the HACR, and at the election of the County of Riverside's Risk Manager, CONTRACTOR's carriers shall either; 1) reduce or eliminate such deductibles or self-insured retention's as respects this CONTRACT with the HACR, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- 3) CONTRACTOR shall cause CONTRACTOR's insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County of Riverside 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 HACR 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 CONTRACT shall terminate forthwith, unless the HACR 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 coverage's set forth herein and the insurance required herein is in full force and effect. **CONTRACTOR shall not commence operations until the HACR 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 insurance company(s), that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary insurance, and the HACR's insurance and/or deductibles and/or self-insured retention's of insured programs shall not be construed as contributory.
- 5) The HACR's Reserved Rights--Insurance. If, during the term of this CONTRACT 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 to additional exposures (such as the use of aircraft, watercraft, cranes, etc.); or, the term of this CONTRACT including any extensions thereof exceeds five (5) years the HACR reserves the right to adjust the types of insurance required under this CONTRACT and the monetary limits of liability for the insurance coverage's currently required herein, if, in the County of Riverside 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 CONTRACT.
- 7) The insurance requirements contained in this CONTRACT may be met with a program(s) of self-insurance acceptable to the HACR.
- 8) CONTRACTOR agrees to notify HACR 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 CONTRACT.

*Documentation to this effect must be provided to the HACR prior to the disbursement of funds and will be included in this CONTRACT as **(Exhibit D)**.

24. HOLD HARMLESS/INDEMNIFICATION:

CONTRACTOR shall indemnify and hold harmless the County of Riverside Economic Development Agency, Housing Authority of the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Commissioners, Board of Supervisors, elected and appointed officials, employees, agents and representatives and the City of Riverside from any liability whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this CONTRACT, 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 CONTRACTOR, its officers, agents, employees, subcontractors, agents or representatives from this CONTRACT. CONTRACTOR 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 and the City of Riverside in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR 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 HACR; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR's indemnification to HACR and the City of Riverside as set forth herein.

CONTRACTOR's obligation hereunder shall be satisfied when CONTRACTOR has provided to HACR the appropriate form of dismissal relieving HACR and the City of Riverside from any liability for the action or claim involved.

The specified insurance limits required in this CONTRACT shall in no way limit or circumscribe CONTRACTOR's obligations to indemnify and hold harmless the HACR and the City of Riverside 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 CONTRACTOR from indemnifying the HACR and the City of Riverside to the fullest extent allowed by law.

25. EXHIBITS

All exhibits attached to this Contract are incorporated and made a part hereof by this reference.

A. These exhibits must be signed and included as part of the contract:

- 1) Section 3 Clause (Exhibit D)
- 2) Equal Opportunity Clause (Exhibit E)
- 3) Certification for a Drug-Free Workplace (Exhibit F)
- 4) Certification for CONTRACTs, Grants, Loans, and Cooperative Agreements (Exhibit G)

B. The following exhibits do not require signature and are included as part of the contract:

- 1) Budget/Invoice and Scope of Work (Exhibit A)
- 2) Participant Profile (Exhibit B)
- 3) Certificate of Liability Insurance (Exhibit C)
- 4) Regulations (Exhibit H)
- 5) Guidelines for Eligibility (Exhibit I)

26. EXECUTION

In witness thereof, this CONTRACT has been executed by the parties hereto upon the date first above written.

Housing Authority of the County of Riverside

CONTRACTOR

By:


By:

Robert Field
Executive Director

David Brinkman
Executive Director
Desert AIDS Project

Date _____

Date _____

FORM APPROVED COUNTY COUNSEL
BY:  4/20/10
MICHELLE CLACK DATE

Exhibits

- A. Budget/Invoice and Scope of Work
- B. Participant Profile
- C. Certificate of Liability Insurance
- D. Section 3 Clause
- E. Equal Opportunity Clause
- F. Certification for a Drug-Free Workplace
- G. Certification for Contracts, Grants, Loans, and Cooperative Agreements
- H. Regulations
- I. Guidelines for Eligibility

Exhibit A
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)
Funding Year 09/10 FY 09/10 Budget/Invoice

Agency Name:

Desert AIDS Project/1695 N. Sunrise Way, Palm Springs, CA 92262
(760) 323-2118/(760) 323-9865 FAX

Contact Person: Siong Teo, Grants Accounting Manager/Kevin Larke, Housing Coordinator

For the Month of:

	ACTUAL EXPENSES	BUDGET	CUMULATIVE EXPENSES	Remaining Balance
Housing Assistance				
Housing Subsidy Assistance				
Project Based Rental Assistance		\$72,960		\$72,960
Short Term Rent, Mortgage Utility Assitance		\$119,000		\$119,000
Total		\$191,960		\$191,960
Supportive Services				
Personnel				
Housing Case Manager (1.0 FTE)		\$38,000		\$38,000
Housing Case Manager Assist. (.20 FTE)		\$7,600		\$7,600
Personnel Benefits @20%		\$9,120		\$9,120
Total		\$54,720		\$54,720
Permanent Housing Placement				
Move-in/Security Deposit		\$20,000		\$20,000
Total		\$20,000		\$20,000
Total Budget/Invoice		\$266,680		\$266,680

Signature/Date

Please include all supporting documentation and mail to:
David Maud, HOPWA Coordinator, Housing Authority of the County of Riverside
5555 Arlington Ave, Riverside, CA 92504

NAME DOB Sex Race/Eth H/NH age #HH Area Med | Monthly HH | Annual HH Svc/Die Service # BR From To # weeks \$Housing \$ Utilities \$ Support Agency year/mon
 Type Services

NAME: last name, first name
 DOB: year/month/day
 SEX: M or F
 RACE/ETHNICITY: Asian/Pacific Islander, Black, Native American or Alaskan Native or White
 HISPANIC/NON-HISPANIC: H or NH
 AGE: self-explanatory
 PEOPLE IN HOUSEHOLD: self-explanatory
 HOUSEHOLD AREA MEDIAN INCOME: Please refer to Table A
 MONTHLY HOUSEHOLD INCOME: self-explanatory
 ANNUAL HOUSEHOLD INCOME: self-explanatory
 SERVICE DATE: year/month/day
 SERVICE TYPE: housing, utilities, motel/hotel, security deposit
 # OF BEDROOMS: self-explanatory
 SERVICE FROM: year/month/day
 SERVICE TO: year/month/day
 # OF MONTHS: leave blank
 # OF WEEKS: service provided
 HOUSING: \$ amount
 UTILITIES: \$ amount
 SUPPORT SERVICES: \$ amount
 AGENCY: Agency name
 MONTH: of report submitted

TABLE A

HOUSEHOLD MEDIAN AREA INCOME

0-30% of area median income (extremely low)	
31-50% of area median income (very low)	
51-60% of area median income (low)	
61-80% of area median income (low)	

TABLE B

PREVIOUS LIVING SITUATION

Place not meant for human habitation building, bus/train/subway station/airport, or outside	
hotel, motel, or campground paid for with emergency shelter	
Transitional housing for homeless persons	
homeless persons (such as Shelter Plus Care, SHP, or SRO Mod)	
Psychiatric hospital or other psychiatric facility	
Substance abuse treatment facility or detox center	
Hospital (non-psychiatric facility)	
foster care home or foster care group home	
Jail, prison or juvenile detention facility	
Rented room, apartment, or house	
House you own	
else s (family and friends) room, apartment, or house	
Hotel or motel paid for without emergency shelter voucher	
Other	
Don't Know or Refused	

TABLE C

OUTCOMES

1 (Emergency Shelter)	=
2 (Temporary Housing)	=
3 (Private Housing)	=
4 (Other HOPWA)	=
5 (Other Subsidy)	=
6 (Institution)	=
7 (Jail/Prison)	=
8 (Disconnected)	=
9 (Death)	=
1 (Emergency Shelter)	=
2 (Temporary Housing)	=
3 (Private Housing)	=
4 (Other HOPWA)	=
5 (Other Subsidy)	=
6 (Institution)	=
7 (Jail/Prison)	=
8 (Disconnected)	=
9 (Death)	=

Table D- Access to Care

Has a housing plan for maintaining or establishing	
Had contact with a case manager/benefit counselor	
Had contact with a primary health care provider at least	
Had medical insurance coverage or medical	
Obtained an income-	

Table E- Supportive Services

Adult day care and personal assistance:	
Alcohol and drug abuse services	
Case management/client advocacy/ access to benefits & services	
Child care and other child services	
Education	
Employment assistance and training	
Health/medical/intensive care services, if approved	
Note: Client records must conform with 24 CFR §574.310	
Legal services	
Life skills management (outside of case management)	
Meals/nutritional services	
Mental health services	
Outreach	
Transportation	
Other (only if HUD-approved):	

Exhibit C – CERTIFICATE OF LIABILITY INSURANCE

Certificate of Liability Insurance – to be provided

SUBMIT WITH SIGNED CONTRACT

ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID ZH
DESER10

DATE (MM/DD/YYYY)
10/07/09

PRODUCER

(LA) Heffernan Insurance Brkrs
811 Wilshire Blvd., Suite 1801
Los Angeles CA 90017
Phone: 213-622-6500 Fax: 213-623-1388

INSURED

Desert AIDS Project Inc.
P O Box 2890
Palm Springs CA 92263

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: STATE COMPENSATION INS. FUND	
INSURER B: MARKEL INSURANCE CO.	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
B	X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Professional Liab	8502SS329818-0	10/05/09	10/05/10	EACH OCCURRENCE \$ 100000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100000 MED EXP (Any one person) \$ 10000
B		<input checked="" type="checkbox"/> GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	8502SS329818-0	10/05/09	10/05/10	PERSONAL & ADV INJURY \$ 1000000 GENERAL AGGREGATE \$ 3000000 PRODUCTS - COMP/OP AGG \$ 3000000
B		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS Comp & Collision Deductible \$500	1002SS329819-0	10/05/09	10/05/10	COMBINED SINGLE LIMIT (Ea accident) \$ 1000000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
B		EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$10000	4602SS329821-0	10/05/09	10/05/10	EACH OCCURRENCE \$ 100000 AGGREGATE \$ \$ \$
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	1932087-09	02/09/09	02/09/10	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1000000 E.L. DISEASE - EA EMPLOYEE \$ 1000000 E.L. DISEASE - POLICY LIMIT \$ 1000000
B		OTHER Crime Coverage	8502SS329818-0	10/05/09	10/05/10	Emp Dis. 500000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
Project: DAP References, Project 85. The Housing Authority of the County of Riverside, Its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, agents or representatives and the City of Riverside are included as Additional Insured per the attached endorsement. This insurance is primary and non-contributory. ..Cont...

CERTIFICATE HOLDER


HOUSI-0

Housing Authority of the County Riverside
 Attn: David Maud
 5555 Arlington Avenue
 Riverside, CA 92504

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30* DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE



NOTEPAD:

HOLDER CODE HOUS1-0
INSURED'S NAME Desert AIDS Project Inc.

DESER10
OP ID ZH

PAGE 2
DATE 10/07/09

***10 Days Notice of Cancellation for Non Payment of Premium.**

—
—
—
—

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
COMMERCIAL GENERAL LIABILITY PLUS EXTENSION

Various provisions in this endorsement modify coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this endorsement the words "you" and "your" refer to the Named Insured shown in the declarations. The words "we," "us" and "our" refer to the company providing this insurance.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Unless specifically stated in this endorsement, all other terms, conditions and exclusions of the policy remain unchanged.

The following is a summary of the limits, additional coverages and extensions provided by this endorsement. For complete details on specific coverages, consult the policy contract wording. As respects any coverage provided by this endorsement, if higher limits are provided on any other schedule, declarations, or endorsement attached to this policy, then the limits and coverage provided by this endorsement would not apply for that coverage.

SCHEDULE

Medical Payments	Increased to \$10,000 per person (unless excluded)
Supplementary Payments	
Bail Bonds	Up to \$5000
Loss of Earnings	Up to \$500 a day
Damage to Premises Rented to You	Up to the General Liability Each Occurrence Limit
Non-Owned Watercraft	Increased to 51 feet long
Non-Owned Aircraft	If rented or loaned with a paid crew
Property Damage from Elevator Use	Included
Broadened Definition of Insured	Included
Mental Anguish Resulting from Bodily Injury	Included
Advertising Injury from Televised or Videotaped Material	Included
Broadened Definition of Mobile Equipment	Included
Per Location and Per Project Aggregates	Included
Additional Insured - Managers or Lessors of Premises	Included
Additional Insured - Vendors (Limited)	Included
Additional Insured-By Written Contract, Agreement or Permit	Included
Additional Insured-Mortgagee, Assignee, or Receiver	Included
Extended "Property Damage" - Expected or Intended Injury	Included
Property Damage to Borrowed Equipment	Up to \$10,000 per "occurrence"
Property Damage to "Customers' Goods"	Up to \$10,000 per "occurrence"
Medical Personnel Coverage	Up to \$100,000 per "occurrence" if no other coverage form applies
Limited "Product Withdrawal" Expense Coverage	\$10,000 per "Product Withdrawal"
Waiver of Transfer of Rights of Recovery	Included
Duties in the Event of "Occurrence", Claim or "Suit"	Included
Unintentional Failure to Disclose Hazards	Included
Liberalization	Included

I. Medical Payments

The following applies only if Medical Payments Coverage is not excluded from the policy to which this endorsement is attached:

SECTION III - LIMITS OF INSURANCE, paragraph 7. is deleted in its entirety and replaced by the following:

- 7. Subject to paragraph 5., **Section III - Limits of Insurance**, the Medical Expense Limit is equal to the Medical Expense Limit stated in the Declarations subject to a minimum of \$10,000 and is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

II. SUPPLEMENTARY PAYMENTS - BAIL BONDS AND LOSS OF EARNINGS

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B, paragraphs 1.b. and 1.d. are deleted in their entirety and replaced by the following:

SECTION III - LIMITS OF INSURANCE, paragraph 7. is deleted in its entirety and replaced by the following:

- b. Up to \$5000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Bodily Injury Liability Coverage applies. We do not have to furnish these bonds;
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work;

III. DAMAGE TO PREMISES RENTED TO YOU

- A. When Damage To Premises Rented To You Limit is shown in the Declarations, Exclusion j. of Coverage A, **Section I** is replaced by the following:

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

B. SECTION I - COVERAGE A.2. Exclusions is amended to delete the last paragraph and is replaced by the following:

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke or sprinkler leakage damage to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **Section III - Limits of Insurance**.

C. SECTION III - LIMITS OF INSURANCE, Paragraph 6. is replaced by the following:

6. Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises while rented to you, or, in case of damage by fire, lightning, explosion, smoke, or sprinkler leakage while rented to you or temporarily occupied by you with permission of the owner.

The Damage To Premises Rented To You limit is the Each Occurrence Limit shown in the General Liability Declarations.

D. SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, paragraph 4.b.(1)(b) is deleted and replaced by the following:

- (b) That is fire, lightning, explosion, smoke or sprinkler leakage insurance for premises rented to you or temporarily occupied by you with permission of the owner; or

E. SECTION V - DEFINITIONS, paragraph 9.a. is deleted and replaced by the following:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke or sprinkler leakage to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

IV. NON-OWNED WATERCRAFT AND NON-OWNED AIRCRAFT RENTED OR LOANED TO YOU WITH A CREW

SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Exclusion g. - Aircraft, Auto or Watercraft, paragraph (2), is deleted in its entirety and replaced with the following:

- (2) A watercraft you do not own that is:

- (a) Less than 51 feet long; and
- (b) Not being used to carry persons or property for a charge.

The following is added to g.

- (6) An aircraft not owned by any insured that is rented or loaned to you with a paid crew.

If other insurance applies to a loss because of "property damage" to non-owned watercraft or aircraft as described in (2)(a) and (b) or (6) above, the insurance provided by this Coverage Form does not apply whether the other insurance is primary, excess, contingent, or issued on any other basis.

V. PROPERTY DAMAGE COVERAGE ARISING OUT OF ELEVATOR USE

SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Exclusion j. is amended to include the following:

Paragraphs (3), (4) and (6) shall not apply to liability arising out of the use of elevators.

If other valid and collectible insurance applies to a loss because of "property damage" arising out of the use of elevators, this Coverage Form shall apply excess of the other insurance, whether this other insurance is primary, excess, contingent, or issued on any other basis.

VI. WHO IS AN INSURED

SECTION II - WHO IS AN INSURED, is amended by the following:

A. Paragraph 2. is amended to include the following as insureds:

- e. Any legally incorporated entity of which you own at least 51% of the voting stock on the inception date of this Coverage Form and on the date of any covered "occurrence", claim or "suit".

This insurance shall not apply to any entity that is already an insured under any other insurance provided by any company or that would be an insured but for the exhaustion of its limits of insurance.

B. Newly Acquired or Formed Organizations

Paragraph 3.a. is deleted in its entirety and replaced with:

- a. Coverage for your newly acquired or formed organization shall be:
 - 1. Effective on the date of acquisition or affirmation; and
 - 2. Afforded until the end of the policy period of this Coverage Form.

C. The following is added to Paragraph 2.a.:

Paragraph (1) does not apply to executive officers, or to managers at the supervisory level or above.

VII. MENTAL ANGUISH COVERAGE THAT RESULTS FROM BODILY INJURY

SECTION V- DEFINITIONS, Item 3., Bodily Injury, is deleted in its entirety and replaced with the following:

3. "Bodily injury" means:

- a. Bodily injury, sickness or disease sustained by a person, and also includes mental anguish or emotional distress provided such mental anguish or emotional distress results from any of these; and
- b. Death resulting from bodily injury, sickness or disease.

VIII. ADVERTISING INJURY

A. **SECTION V- DEFINITIONS**, Item 14, Personal and Advertising Injury, paragraphs d. and e. are deleted in their entirety and replaced with the following:

- d. Oral, written or professionally produced televised or videotaped publication of material in any manner that slanders or libels a person or organization, or disparages a person's or organization's goods, products or services;
- e. Oral, written or professionally produced televised or videotaped publication of material in any manner that violates a person's right to privacy;

B. **SECTION I - COVERAGES**, COVERAGE B. PERSONAL INJURY AND ADVERTISING INJURY LIABILITY, Exclusions b. and c. are deleted in their entirety and replaced with the following:

- b. "Personal and advertising injury" arising out of oral, written or professionally produced televised or videotaped publication of material in any manner, if done by you or at your direction with knowledge of its falsity;

- c. "Personal and advertising injury" arising out of oral, written or professionally produced televised or videotaped publication of material whose first publication took place before the beginning of the policy period.

IX. MOBILE EQUIPMENT

SECTION V - DEFINITIONS, Item 12., Mobile Equipment, paragraph f.(1) is amended to add the following:

This shall not apply to self-propelled vehicles of less than 1000 pounds gross vehicle weight.

X. PER LOCATION AND PER PROJECT AGGREGATES

SECTION III - LIMITS OF INSURANCE, is amended to add the following:

- A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **COVERAGE A (SECTION I)**, and for all medical expenses caused by accidents under **COVERAGE C (SECTION I)**, which can be attributed only to operations at a covered "location" or covered construction project:
 - 1. A separate Per Location or Per Project General Aggregate Limit applies to each covered "location" or covered construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
 - 2. The Per Location or Per Project General Aggregate Limit is the most we will pay for the sum of all damages under **COVERAGE A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under **COVERAGE C** regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
 - 3. Any payments made under **COVERAGE A** for damages or under **COVERAGE C** for medical expenses shall reduce the Per Location or Per Project General Aggregate Limit for each covered "location" or covered project for which payment is made. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other covered "location" or covered project's general aggregate.
 - 4. The limits shown in the Declarations for Each Occurrence, Fire Damage and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Per Location or Per Project General Aggregate Limit.
- B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **COVERAGE A (SECTION I)**, and for all medical expenses caused by accidents under **COVERAGE C (SECTION I)**, which cannot be attributed only to ongoing operations at a covered "location" or covered project:
 - 1. Any payments made under **COVERAGE A** for damages or under **COVERAGE C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and
 - 2. Such payments shall not reduce any Per Location or Per Project General Aggregate Limit.

- C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Per Location or Per Project General Aggregate Limit.
- D. For the purposes of this section of this endorsement, "Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
- E. If the applicable covered construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.
- F. The provisions of Limits of Insurance (**SECTION III**) not otherwise modified by this endorsement shall continue to apply as stipulated.

XI. ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES

WHO IS AN INSURED (**SECTION II**) is amended to include as an additional insured any person or organization who leases to you or manages property you rent or lease, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf in connection with that part of the premises leased or rented to you and shown on the Declarations. The following additional exclusions apply:

This insurance does not apply to:

- 1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
- 2. Structural alterations, new construction or demolition operations performed by or on behalf of the person or organization who leases to you or manages property you rent or lease.

XII. ADDITIONAL INSUREDS - VENDORS (LIMITED)

The following provision applies only if the policy to which this endorsement is attached provides insurance for "bodily injury" and "property damage" included in the "products-completed operations hazard":

WHO IS AN INSURED (**SECTION II**) is amended to include as an additional insured any person or organization (referred to below as vendor) with whom you agree in a written contract or agreement to provide insurance, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

- 1. The insurance afforded the vendor does not apply to:
 - a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
 - b. Any express warranty unauthorized by you;
 - c. Any physical or chemical change in the product made intentionally by the vendor;
 - d. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

- f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
 - g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor;
 - h. Any failure to maintain the product in a merchantable condition; or
 - i. "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (1) The exceptions contained in subparagraphs d. or f.; or
 - (2) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
2. This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container entering into, accompanying or containing such products.

XIII. ADDITIONAL INSURED - BY WRITTEN CONTRACT, AGREEMENT OR PERMIT

The following paragraph is added to WHO IS AN INSURED (Section II):

4. Any person or organization for whom you are required by written contract, agreement or permit to provide insurance is an insured, subject to the following additional provisions:
- a. The contract, agreement or permit must be in effect during the policy period shown in the Declarations, and must have been executed prior to the "bodily injury", "property damage", or "personal and advertising injury".
 - b. The person or organization is an insured only to the extent you are held liable due to:
 - (1) The ownership, maintenance or use of that part of premises you own, rent, lease or occupy subject to the following additional provisions:
 - (a) This insurance does not apply to any "occurrence" which takes place after you cease to be a tenant in any premises leased to or rented to you;
 - (b) This insurance does not apply to any structural alterations, new construction or demolition operations performed by or on behalf of the person or organization;
 - (2) Your ongoing operations for that insured, whether the work is performed by you or for you;
 - (3) The maintenance, operation or use by you of equipment leased to you by such person or organization, subject to the following additional provisions:
 - (a) The insurance does not apply to any "occurrence" which takes place after the equipment lease expires;
 - (b) This insurance does not apply to "bodily injury" or "property damage" arising out of the sole negligence of such person or organization;
 - (4) Permits issued by any state or political subdivision with respect to operations performed by you or on your behalf, subject to the following additional provision:

This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of operations performed for that state or municipality.

c. The insurance with respect to any architect, engineer, or surveyor, added as an "Insured" by this coverage, does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of the rendering or failure to render any professional services by or for you, including:

- (1) The preparing, approving or failure to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; and
- (2) Supervisory, inspection or engineering services.

d. This insurance does not apply to "bodily injury" or "property damage" included within the "products-completed operations hazard".

A person's or organization's status as an insured under this endorsement ends when your operations for that insured are completed.

No coverage will be provided if, in the absence of this endorsement, no liability will be imposed by law on you. Coverage will be limited to the extent of your negligence or fault according to the applicable principles of comparative fault.

This Additional Insured provision does not apply to Managers or Lessors of Premises, Vendors, or Mortgagees, Assignees, or Receivers. For Managers or Lessors of Premises, refer to ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES. For Vendors, refer to ADDITIONAL INSURED - VENDORS. For Mortgagees, Assignees or Receivers, refer to ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE, OR RECEIVER.

XIV. ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE, OR RECEIVER

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of premises by you.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

XV. EXTENDED "PROPERTY DAMAGE" - EXPECTED OR INTENDED INJURY

Exclusion 2.a. of SECTION I - COVERAGES, COVERAGE A is deleted in its entirety and replaced by the following:

- a. "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

XVI. PROPERTY DAMAGE - BORROWED EQUIPMENT

A. Paragraph (4) of Exclusion j. of SECTION I - COVERAGES, COVERAGE A does not apply to "property damage" to borrowed equipment while that equipment is:

1. Not being used to perform operations; and
2. Away from an insured's premises.

B. The insurance afforded by this provision is excess over any valid and collectible property insurance (including any deductible) available to the insured whether primary, excess, contingent or on any other basis.

C. SECTION III - LIMITS OF INSURANCE is amended to add the following:

Subject to the General Aggregate provision, the most we will pay under this provision for "property damage" to borrowed equipment is \$10,000 per "occurrence".

XVII. PROPERTY DAMAGE - "CUSTOMERS' GOODS"

- A. Paragraphs (3), (4), and (6) of Exclusion j. of **SECTION I - COVERAGES, COVERAGE A** does not apply to "property damage" to "customer's goods" while on your premises.
- B. The insurance afforded by this provision is excess over any valid and collectible property insurance (including any deductible) available to the insured whether primary, excess, contingent or on any other basis.
- C. **SECTION III - LIMITS OF INSURANCE** is amended to add the following:

Subject to the General Aggregate provision, the most we will pay under this provision for "property damage" to customer's goods is \$10,000 per "occurrence".

XVIII. MEDICAL PERSONNEL

The following applies only if no other similar coverage is included on or added to the policy to which this endorsement is attached:

The following is added to **SECTION I - COVERAGES, COVERAGE A - Bodily Injury and Property Damage Liability - Insuring Agreement**:

- A. We will pay those sums the insured becomes legally obligated to pay as a result of an "occurrence" arising out of your employed registered nurse, licensed practical nurse, certified emergency medical technician or certified paramedic performing professional health care services. This applies only to those professional health care services arising out of duties related to the conduct of your business. The registered nurse, licensed practical nurse, certified emergency medical technician or certified paramedic must be your "employee".
- B. **SECTION II - WHO IS AN INSURED** is amended to include the above designated "employees" for acts within the scope of their employment by you while performing duties related to the conduct of your business including duties arising out of his or her providing or failure to provide professional health services.
- C. **SECTION III - LIMITS OF INSURANCE** is amended to add the following:

Subject to the General Aggregate provision, the most we will pay under Medical Personnel coverage is \$100,000 for all professional health services sustained by any one person.

XIX. LIMITED PRODUCT WITHDRAWAL EXPENSE COVERAGE

THIS COVERAGE ONLY PROVIDES REIMBURSEMENT TO YOU FOR EXPENSES INCURRED BECAUSE OF A COVERED "PRODUCT WITHDRAWAL". THIS COVERAGE DOES NOT PROVIDE ANY LIABILITY COVERAGE OR COVERAGE FOR THE COST OR EXPENSE OF DEFENDING ANY CLAIM OR SUIT.

- A. The following is added to **Section I - Coverages**:

SECTION I - LIMITED PRODUCT WITHDRAWAL EXPENSE COVERAGE

1. Insuring Agreement

- (a) We will reimburse you for "product withdrawal expense" incurred by you because of a "product withdrawal" to which this insurance applies.

The amount of such reimbursement is limited as described in **Section III - Limits of Insurance**. No other obligation or liability to pay sums or perform acts or services is covered.

- (b) This insurance applies to a "product withdrawal" only if the "product withdrawal" is initiated in the "coverage territory" during the policy period because:
 - (1) You determine that the "product withdrawal" is necessary; or
 - (2) An authorized government entity has ordered you to conduct a "product withdrawal".

- (c) We will reimburse "product withdrawal expenses" only if:
- (1) The expenses are incurred within one year of the date the "product withdrawal" was initiated;
 - (2) The expenses are reported to us within one year of the date the expenses were incurred; and
 - (3) The product that is the subject of the "product withdrawal" was produced after the inception date of this policy or the date this endorsement was added, whichever is earlier.
- (d) The initiation of a "product withdrawal" will be deemed to have been made only at the earliest of the following times:
- (1) When you first announced, in any manner, to the general public, your vendors, or to your employees (other than those directly involved in making the determination) your decision to conduct or participate in a "product withdrawal". This applies regardless of whether the determination to conduct a "product withdrawal" is made by you or is requested by a third party; or
 - (2) When you first received, either orally or in writing, notification of an order from an authorized government entity to conduct a "product withdrawal".
- (e) "Product withdrawal expenses" incurred to withdraw "your products" which contain the same or substantially similar "defects" will be deemed to have arisen out of the same "product withdrawal".

2. Exclusions

This insurance does not apply to "product withdrawal expenses" arising out of:

(a) Breach Of Warranty And Failure To Conform To Intended Purpose

Any "product withdrawal" initiated due to the failure of "your product" to accomplish their intended purpose, including any breach of warranty of fitness, whether written or implied. This exclusion does not apply if such failure is reasonably expected to cause "bodily injury" or physical damage to tangible property other than "your product".

(b) Infringement Of Copyright, Patent, Trade Secret, Trade Dress Or Trademark

Any "product withdrawal" initiated due to copyright, patent, trade secret, trade dress or trademark infringements.

(c) Deterioration, Décomposition Or Chemical Transformation

Any "product withdrawal" initiated due to transformation of a chemical nature, deterioration or decomposition of "your product". This exclusion does not apply if it is caused by:

- (1) An error in manufacturing, design or processing;
- (2) Transportation of "your product"; or
- (3) "Product tampering".

(d) Goodwill, Market Share, Revenue, Profit Or Redesign

The costs of goodwill, market share, revenue or "profit" or the costs of redesigning "your product".

(e) Expiration Of Shelf Life

Any "product withdrawal" initiated due to expiration of the designated shelf life of "your product".

(f) Known Defect

A "product withdrawal" initiated because of a "defect" in "your product" known to exist by the Named Insured or the Named Insured's "executive officers", prior to the date when this Coverage Part was first issued to you or prior to the time "your product" leaves your control or possession.

(g) Otherwise Excluded Products

A recall of any specific products for which "bodily injury" or "property damage" is excluded under Coverage A - Bodily Injury and Property Damage Liability by endorsement.

(h) Governmental Ban

A recall when "your product" or a component contained within "your product" has been:

- (1) Banned from the market by an authorized government entity prior to the policy period; or
- (2) Distributed or sold by you subsequent to any governmental ban.

(i) Defense Of Claim

The defense of a claim or "suit" against you for liability arising out of a "product withdrawal".

(j) Third Party Damages, Fines And Penalties

Any compensatory damages, fines, penalties, punitive or exemplary or other non-compensatory damages imposed upon the insured.

(k) Pollution-Related Expenses

Any loss, cost, or expense due to any:

- (1) Request, demand, order, statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of, "pollutants".

B. For purposes of this endorsement, **Section III - LIMITS OF INSURANCE** is replaced by the following:

SECTION III - LIMITS OF INSURANCE

The most that we will reimburse you for under this coverage is \$10,000 regardless of the number of:

- (a) Insureds;
- (b) "Product withdrawals" initiated; or
- (c) Number of "your products" withdrawn.

The \$10,000 limit is the most that we will reimburse you for the sum of all "product withdrawal expenses" incurred for all "product withdrawals" initiated during the policy period.

C. For the purposes of this coverage, the **Duties In The Event Of Occurrence, Claim Or Suit Condition** under **Section IV - Conditions** is replaced by the following:

2. Duties In The Event Of A "Defect" Or A "Product Withdrawal"

- a. You must see to it that we are notified as soon as practicable of any actual, suspected or threatened "defect" in "your product", or any governmental investigation, that may result in a "product withdrawal". To the extent possible, notice should include:
- (1) How, when and where the "defect" was discovered;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature, location and circumstances of any injury or damage arising out of use or consumption of "your product".
- b. If a "product withdrawal" is initiated, you must:
- (1) Immediately record the specifics of the "product withdrawal" and the date where it was initiated; and
 - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the "product withdrawal" as soon as practicable.

- c. You must promptly take all reasonable steps to mitigate the expenses associated with a "product withdrawal". Any "profit" that you receive from mitigating the expenses will be deducted from the amount of reimbursement that you will receive for "product withdrawal expenses".
- d. You and any other involved insured must:
- (1) Immediately send us copies of pertinent correspondence received in connection with the "product withdrawal";
 - (2) Authorize us to obtain records and other information; and
 - (3) Cooperate with us in our investigation of the "product withdrawal".

D. For the purposes of this coverage, the following is added to **Section IV - Conditions**:

Concealment Or Fraud

We will not provide coverage under **Section I** to you, or any other insured, who at any time:

1. Engaged in fraudulent conduct; or
2. Intentionally concealed or misrepresented a material fact concerning a "product withdrawal" or "product withdrawal expenses" incurred by you under **Section I** of this coverage.

XX. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

Item 8., Transfer of Rights of Recovery Against Others to Us of **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended by the addition of the following:

We agree to waive any right of recovery we may have against any person or organization with whom you have agreed by contract prior to an "occurrence" to waive such rights because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". The waiver applies only to the person or organization with whom you have agreed in a contract prior to an "occurrence" to waive such rights.

XXI. DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, Item 2., Duties in the Event of Occurrence, Claim or Suit, is amended to include the following:

- e. Your obligation to notify us as soon as practicable of an "occurrence", offense, claim or "suit" is satisfied if you send us written notice as soon as practicable after any of your "executive officers", directors, partners, insurance managers or legal representatives becomes aware of or should have become aware of such "occurrence", offense, claim or "suit".

XXII. UNINTENTIONAL FAILURE TO DISCLOSE ALL HAZARDS

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, is amended to include the following:

- 10. Based on our reliance on your representations as to existing hazards, if you unintentionally fail to disclose all such hazards prior to the beginning of the policy period of the Coverage Part, we shall not deny coverage under this Coverage Part because of such failure.

XXIII. LIBERALIZATION

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, is amended to include the following:

- 11. If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

XXIV. DEFINITIONS

The following definitions are added:

- 1. "Customers' goods" mean tangible personal property belonging to your customers and left with you for storage, service or repair. "Customers' goods" do not include:
 - a. Accounts, bills, currency, deeds, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
 - b. Animals;
 - c. Contraband, or property in the course of illegal transportation or trade;
 - d. Personal property while airborne or waterborne;
 - e. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
 - f. Vehicles or self-propelled machines (including aircraft or watercraft) that are licensed for use on public roads.

This paragraph does not apply to:

- (1) Vehicles or self-propelled machines, other than "autos", you hold for sale; or
- (2) Rowboats or canoes out of water at the described premises;
- g. The following property while outside of buildings:
 - (1) Grain, hay, straw or other crops;
 - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, signs (other than signs attached to buildings), trees, shrubs or plants (other than trees, shrubs or plants held for sale).

2. "Defect" means a defect, deficiency or inadequacy that creates a dangerous condition.
3. "Product tampering" is an act of intentional alteration of "your product" which has caused or is reasonably expected to cause "bodily injury" or physical injury to tangible property other than "your product".

When "product tampering" is known, suspected or threatened, a "product withdrawal" will be limited to those batches of "your product" which are known or suspected to have been tampered with.

For purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and application software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

4. "Product withdrawal" means the recall or withdrawal:

- a. From the market; or
- b. From use by any other person or organization;

of "your products" or products which contain "your products", because of known or suspected "product tampering", which has caused or is reasonably expected to cause "bodily injury" or physical injury to tangible property other than "your product".

For purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices, or any other media which are used with electronically controlled equipment.

5. "Product withdrawal expenses" means those reasonable and necessary extra expenses, listed below, paid and directly related to a "product withdrawal":
 - a. Costs of notification;
 - b. Costs of stationery, envelopes, production of announcements and postage or facsimiles;
 - c. Costs of overtime paid to your regular non-salary employees and costs incurred by your employees, including costs of transportation and accommodations;
 - d. Costs of computer time;
 - e. Costs of hiring independent contractors and other temporary employees;
 - f. Costs of transportation, shipping or packaging;
 - g. Costs of warehouse or storage space; or
 - h. Costs of proper disposal of "your products" or products that contain "your products" that can not be reused, not exceeding your purchase price or your cost to produce the products.
6. "Profit" means the positive gain from business operation after subtracting for all expenses.

All other terms and conditions remain the same.

ACORD TM. **CERTIFICATE OF LIABILITY INSURANCE** DATE (MM/DD/YYYY)
06/22/2009

PRODUCER Phone: 626-332-2258 Fax: 626-339-9921
LILLIAN ROMERO GOMEZ
BAKER ROMERO & ASSOCIATES INSURANCE BROKERS, INC.
 750 TERRADO PLAZA SUITE 238
 COVINA CA 91723

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

PHONE: 626-332-2258 FAX: 626-339-9921 Agency Lic#: 0G22790

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Nonprofits' Insurance Alliance of California	
INSURER B: State Compensation Ins. Fund	
INSURER C:	
INSURER D:	
INSURER E:	

INSURED
FOOTHILL AIDS PROJECT
 233 W. HARRISON AVE.
 CLAREMONT CA 91711

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.


INSR LTR	ADDL INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	2009-00868NPO	06/17/09	06/17/10	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000 MED. EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS-COMP/OP AGG. \$ 3,000,000
A		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	2009-00868NPO	06/17/09	06/17/10	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
		EXCESS / UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	562-395-08	09/01/08	09/01/09	WC STATUTORY LIMITS OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE-EA EMPLOYEE \$ 1,000,000 E.L. DISEASE-POLICY LIMIT \$ 1,000,000
A		OTHER: PROFESSIONAL LIABILITY	2009-00868NPO	06/17/09	06/17/10	EACH OCCURANCE - \$1,000,000 AGGREGATE - \$3,000,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/ SPECIAL PROVISIONS
 CERTIFICATE HOLDER NAMED AS ADDITIONAL INSURED - FUNDER
 10 DAY NOTICE FOR NON PAYMENT OF PREMIUM

CERTIFICATE HOLDER

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE
 5555 ARLINGTON AVE.
 RIVERSIDE, CA 92504
 Attention:

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, IT'S AGENTS OR REPRESENTATIVES.
 AUTHORIZED REPRESENTATIVE

 Lillian Romero-Gomez

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

SECTION 3 CLAUSE

- A. **The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greater extent feasible, be directed to low-and-very low-income persons, particularly persons who are recipients of HUD assistance for housing.** The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3).
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization of workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, and qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The contractor agrees to include the Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontract with any subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

- E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected, but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.
- F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, terminations of this contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7 (b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment subcontracts shall be given to Indian and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7 (b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7 (b).

SECTION 3 GOALS

- A. During the term of this contract, when a person is hired to a full time position to work all or part of their time on activities funded or generated in whole or in part by this contract, Contractor and subcontractors commit to employ Section 3 residents as 30 percent of the aggregate number of new hires for the one year period.
- B. Preference shall be provided to the hiring of Section 3 residents in the following order of priority:
 - 1. Residents of the housing development or developments for which the Section 3 covered assistance is expended (Category 1 Residents);
 - 2. Residents of other housing developments managed by the Housing Authority (Category 2 Residents);
 - 3. Participants in a HUD Youthbuild Program in Riverside or San Bernardino County (Category 3 Residents);
 - 4. Other Section 3 residents (Category 4 Residents).

- C. Should contractor and/or subcontractors contract out any portion or all of the work, then contractor and/or subcontractors commit to award to Section 3 business concerns:
1. At least 10 percent of the total dollar amount of all Section 3 covered contracts for building trades work for housing maintenance, repair, modernization, or development, or for building trades work arising in connection with housing rehabilitation, housing construction and other public construction.
 2. At least 3 percent of the total dollar amount of all other Section 3 covered contracts.
- D. A Section 3 Resident is a person living in San Bernardino or Riverside County who is a Public Housing resident or who is low income.
- E. Low-Income Persons mean families (including single persons) whose income does not exceed 80 percent of the median income, as adjusted by HUD, for Riverside and San Bernardino Counties.
- F. Section 3 Business Concern means a business where:
1. 51 percent or more is owned by Section 3 residents; or
 2. 30 percent of the permanent full-time employees are currently Section 3 residents or were Section 3 residents when first hired (if within the past three years); or
 3. The business commits in writing to subcontract over 25 percent of the total dollar amount of all subcontracts to be let to businesses that meet the requirement of paragraphs 1 and 2 of this definition;

AND

The business was formed in accordance with state law and is licensed under state, county, municipal law to engage in the business activity for which it was formed.

Please note: Copies of 24 CFR Part 135 are available at the Housing Authority office.

I have read, understood and will comply with the Regulations as explained above when using federal funds.

Signature

Date

EQUAL EMPLOYMENT OPPORTUNITY CLAUSE

During the performance of this contract, the Contractor agrees as follows:

- a. The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, or handicap.
- b. The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, national origin, or handicap. Such action shall include, but not be limited to, (1) employment, (2) upgrading, (3) demotion, (4) transfer, (5) recruitment or recruitment advertising, (6) layoff or termination, (7) rates of pay or other forms of compensation, and (8) selection for training, including apprenticeship.
- c. The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- d. The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor; state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, or handicap.
- e. The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- f. The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- g. The Contractor shall furnish all information and reports required by Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

- h. In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or Federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- i. The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontract or purchase order as the Secretary of Housing and Urban Development of the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.
- j. Compliance with the requirements of this clause shall be to the maximum extent consistent with, but not in derogation of, compliance with section 7(b) of the Indian Self-Determination and Education Assistance Act and the *Indian Preference* clause of this contract.

I read and understood the Equal Employment Opportunity Clause and I agree to comply with the regulations as explained above when using federal funds.

Signature

Date

Certification for a Drug-Free Workplace

Contractor:

Acting on behalf of the above named contractor as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

- H. I certify that the above named Contractor will provide a drug-free workplace by:
1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violation of such prohibition.
 2. Establishing a drug-free awareness program to inform employees about the following:
 1. The dangers of drug abuse in the workplace;
 2. The Contractor's policy of maintaining a drug-free workplace;
 3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
 3. Making it a requirement that each employee of the Contractor be given a copy of the statement required by paragraph a;
 4. Notifying the employee in the statement required by paragraph a that, as a condition of employment with the Contractor, the employee will do the following:
 1. Abide by the terms of the statement; and
 2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
 5. Notifying the HUD Field Office within ten days after receiving notice under subparagraph d 2 from an employee or otherwise receiving actual notice of such conviction;

6. Taking one of the following actions within 30 days of receiving notice under subparagraph d2 with respect to any employee who is so convicted;
 1. Taking appropriate personnel action against such an employee, up to and including termination; or
 2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug free workplace through implementation of paragraphs a through f

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 USC 1001, 1010, 1012, 31 USC 3729, 3802)

Signature and Title

Date

adapted form HUD-50070 (10/96)

Certification for Contracts, Grants, Loans, and Cooperative Agreements

Acting on behalf of the Contractor, I make the following certifications to the Housing Authority of the County of Riverside:

1. 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, or a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid 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 Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure of Lobbying Activities, in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of the certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, US Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less the \$10,000 and not more than \$1,000,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 USC 1001, 1010, 1012; 31 USC 3729, 3802)

Signature

Date

Pt. 574

24 CFR Ch. V (4-1-08 Edition)

PART 574—HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

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574.3 Definitions.

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574.110 Overview of formula allocations.
574.120 Responsibility of applicant to serve EMSA.
574.130 Formula allocations.
574.190 Reallocation of grant amounts.

Subpart C—Competitive Grants

- 574.200 Amounts available for competitive grants.
574.210 Eligible applicants.
574.240 Application requirements.
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- 574.300 Eligible activities.
574.310 General standards for eligible housing activities.
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Subpart E—Special Responsibilities of Grantees and Project Sponsors

- 574.400 Prohibition of substitution of funds.
574.410 Capacity.
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Subpart G—Other Federal Requirements

- 574.600 Cross-reference.
574.603 Nondiscrimination and equal opportunity.
574.605 Applicability of OMB circulars.
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574.630 Displacement, relocation and real property acquisition.
574.635 Lead-based paint.
574.640 Flood insurance protection.

- 574.645 Coastal barriers.
574.650 Audit.
574.655 Wage rates.

AUTHORITY: 42 U.S.C. 3535(d) and 12901-12912.

SOURCE: 57 FR 61740, Dec. 23, 1992, unless otherwise noted.

Subpart A—General

§ 574.3 Definitions.

The terms *Grantee* and *Secretary* are defined in 24 CFR part 5.

Acquired immunodeficiency syndrome (AIDS) or related diseases means the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome, including infection with the human immunodeficiency virus (HIV).

Administrative costs mean costs for general management, oversight, coordination, evaluation, and reporting on eligible activities. Such costs do not include costs directly related to carrying out eligible activities, since those costs are eligible as part of the activity delivery costs of such activities.

Applicant means a State or city applying for a formula allocation as described under §574.100 or a State, unit of general local government, or a non-profit organization applying for a competitive grant as described under §574.210.

City has the meaning given it in section 102(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302).

Eligible Metropolitan Statistical Area (EMSA) means a metropolitan statistical area that has a population of more than 500,000 and has more than 1,500 cumulative cases of AIDS.

Eligible person means a person with acquired immunodeficiency syndrome or related diseases who is a low-income individual, as defined in this section, and the person's family. A person with AIDS or related diseases or a family member regardless of income is eligible to receive housing information services, as described in §574.300(b)(1). Any person living in proximity to a community residence is eligible to participate

in that residence's community outreach and educational activities regarding AIDS or related diseases, as provided in §574.300(b)(9).

Eligible State means a State that has:

(1) More than 1,500 cumulative cases of AIDS in those areas of the State outside of eligible metropolitan statistical areas that are eligible to be funded through a qualifying city; and

(2) A consolidated plan prepared, submitted, and approved in accordance with 24 CFR part 91 that covers the assistance to be provided under this part. (A State may carry out activities anywhere in the State, including within an EMSA.)

Family means a household composed of two or more related persons. The term family also includes one or more eligible persons living with another person or persons who are determined to be important to their care or well being, and the surviving member or members of any family described in this definition who were living in a unit assisted under the HOPWA program with the person with AIDS at the time of his or her death.

Low-income individual has the meaning given it in section 853(3) of the AIDS Housing Opportunity Act (42 U.S.C. 12902).

Metropolitan statistical area has the meaning given it in section 853(5) of the AIDS Housing Opportunity Act (42 U.S.C. 12902).

Nonprofit organization means any nonprofit organization (including a State or locally chartered, nonprofit organization) that:

(1) Is organized under State or local laws;

(2) Has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

(3) Has a functioning accounting system that is operated in accordance with generally accepted accounting principles, or has designated an entity that will maintain such an accounting system; and

(4) Has among its purposes significant activities related to providing services or housing to persons with acquired immunodeficiency syndrome or related diseases.

Non-substantial rehabilitation means rehabilitation that involves costs that

are less than or equal to 75 percent of the value of the building after rehabilitation.

Population means total resident population based on data compiled by the U.S. Census and referable to the same point in time.

Project sponsor means any nonprofit organization or governmental housing agency that receives funds under a contract with the grantee to carry out eligible activities under this part. The selection of project sponsors is not subject to the procurement requirements of 24 CFR 85.36.

Qualifying city means a city that is the most populous unit of general local government in an eligible metropolitan statistical area (EMSA) and that has a consolidated plan prepared, submitted, and approved in accordance with 24 CFR part 91 that covers the assistance to be provided under this part.

Rehabilitation means the improvement or repair of an existing structure, or an addition to an existing structure that does not increase the floor area by more than 100 percent.

State has the meaning given it in section 853(9) of the AIDS Housing Opportunity Act (42 U.S.C. 12902).

Substantial rehabilitation means rehabilitation that involves costs in excess of 75 percent of the value of the building after rehabilitation.

Unit of general local government means any city, town, township, parish, county, village, or other general purpose political subdivision of a State; Guam, the Northern Mariana Islands, the Virgin Islands, American Samoa, the Federated States of Micronesia and Palau, the Marshall Islands, or a general purpose political subdivision thereof; and any agency or instrumentality thereof that is established pursuant to legislation and designated by the chief executive to act on behalf of the jurisdiction with regard to provisions of the National Affordable Housing Act.

[57 FR 61740, Dec. 28, 1992, as amended at 59 FR 17199, Apr. 11, 1994; 60 FR 1917, Jan. 5, 1995; 61 FR 5209, Feb. 9, 1996; 61 FR 7963, Feb. 29, 1996]

Subpart B—Formula Entitlements

§574.100 Eligible applicants.

(a) Eligible States and qualifying cities, as defined in §574.3, qualify for formula allocations under HOPWA.

(b) HUD will notify eligible States and qualifying cities of their formula eligibility and allocation amounts and EMSA service areas annually.

[57 FR 61740, Dec. 28, 1992, as amended at 59 FR 17199, Apr. 11, 1994; 60 FR 1917, Jan. 5, 1995]

§574.110 Overview of formula allocations.

The formula grants are awarded upon submission and approval of a consolidated plan, pursuant to 24 CFR part 91, that covers the assistance to be provided under this part. Certain states and cities that are the most populous unit of general local government in eligible metropolitan statistical areas will receive formula allocations based on their State or metropolitan population and proportionate number of cases of persons with AIDS. They will receive funds under this part (providing they comply with 24 CFR part 91) for eligible activities that address the housing needs of persons with AIDS or related diseases and their families (see §574.130(b)).

[61 FR 7963, Feb. 29, 1996]

§574.120 Responsibility of applicant to serve EMSA.

The EMSA's applicant shall serve eligible persons who live anywhere within the EMSA, except that housing assistance shall be provided only in localities within the EMSA that have a consolidated plan prepared, submitted, and approved in accordance with 24 CFR part 91 that covers the assistance to be provided under this part. In allocating grant amounts among eligible activities, the EMSA's applicant shall address needs of eligible persons who reside within the metropolitan statistical area, including those not within the jurisdiction of the applicant.

[60 FR 1917, Jan. 5, 1995]

§574.130 Formula allocations.

(a) *Data sources.* HUD will allocate funds based on the number of cases of

acquired immunodeficiency syndrome reported to and confirmed by the Director of the Centers for Disease Control, and on population data provided by the U.S. Census. The number of cases of acquired immunodeficiency syndrome used for this purpose shall be the number reported as of March 31 of the fiscal year immediately preceding the fiscal year for which the amounts are appropriated and allocated.

(b) *Distribution of appropriated funds for entitlement awards.* (1) Seventy-five percent of the funds allocated under the formula is distributed to qualifying cities and eligible States, as described in §574.100, based on each metropolitan statistical area's or State's proportionate share of the cumulative number of AIDS cases in all eligible metropolitan statistical areas and eligible States.

(2) The remaining twenty-five percent is allocated among qualifying cities, but not States, where the per capita incidence of AIDS for the year, April 1 through March 31, preceding the fiscal year of the appropriation is higher than the average for all metropolitan statistical areas with more than 500,000 population. Each qualifying city's allocation reflects its EMSA's proportionate share of the high incidence factor among EMSA's with higher than average per capita incidence of AIDS. The high incidence factor is computed by multiplying the population of the metropolitan statistical area by the difference between its twelve-month-per-capita-incidence rate and the average rate for all metropolitan statistical areas with more than 500,000 population. The EMSA's proportionate share is determined by dividing its high incidence factor by the sum of the high incidence factors for all EMSA's with higher than average per capita incidence of AIDS.

(c) *Minimum grant.* No grant awarded under paragraph (b) of this section shall be less than \$200,000. Therefore, if the calculations under paragraph (b) of this section would result in any eligible metropolitan statistical area or eligible State receiving less than \$200,000, the amount allocated to that entity is increased to \$200,000 and allocations to

entities in excess of \$200,000 are proportionately reduced by the amount of the increase.

§ 574.190 Reallocation of grant amounts.

If an eligible State or qualifying city does not submit a consolidated plan in a timely fashion, in accordance with 24 CFR part 91, that provides for use of its allocation of funding under this part, the funds allocated to that jurisdiction will be added to the funds available for formula allocations to other jurisdictions in the current fiscal year. Any formula funds that become available as a result of deobligations or the imposition of sanctions as provided for in § 574.540 will be added to the funds available for formula allocations in the next fiscal year.

[57 FR 61740, Dec. 28, 1992, as amended at 60 FR 1918, Jan. 5, 1995]

Subpart C—Competitive Grants

§ 574.200 Amounts available for competitive grants.

(a) The Department will set aside 10 percent of the amounts appropriated under this program to fund on a competitive basis:

(1) Special projects of national significance; and

(2) Other projects submitted by States and localities that do not qualify for formula grants.

(b) Any competitively awarded funds that become available as a result of deobligations or the imposition of sanctions, as provided in § 574.540, will be added to the funds available for competitive grants in the next fiscal year.

(c) The competitive grants are awarded based on applications, as described in subpart C of this part, submitted in response to a Notice of Funding Availability published in the FEDERAL REGISTER. All States and units of general local government and nonprofit organizations are eligible to apply for competitive grants to fund projects of national significance. Only those States and units of general local government that do not qualify for formula allocations are eligible to apply for competitive grants to fund other projects.

(d) If HUD makes a procedural error in a funding competition that, when corrected, would warrant funding of an otherwise eligible application, HUD will select that application for potential funding when sufficient funds become available.

[57 FR 61740, Dec. 28, 1992, as amended at 61 FR 7963, Feb. 29, 1996]

§ 574.210 Eligible applicants.

(a) All States, units of general local government, and nonprofit organizations, may apply for grants for projects of national significance.

(b) Only those States and units of general local government that do not qualify for formula grants, as described in § 574.100; may apply for grants for other projects as described in § 574.200(a)(2).

(c) Except for grants for projects of national significance, nonprofit organizations are not eligible to apply directly to HUD for a grant but may receive funding as a project sponsor under contract with a grantee.

§ 574.240 Application requirements.

Applications must comply with the provisions of the Department's Notice of Funding Availability (NOFA) for the fiscal year published in the FEDERAL REGISTER in accordance with 24 CFR part 12. The rating criteria, including the point value for each, are described in the NOFA, including criteria determined by the Secretary.

[61 FR 7963, Feb. 29, 1996]

§ 574.260 Amendments.

(a) After an application has been selected for funding, any change that will significantly alter the scope, location, service area, or objectives of an activity or the number of eligible persons served must be justified to HUD and approved by HUD. Whenever any other amendment to the application is made, the grantee must provide a copy to HUD.

(b) Each amendment request must contain a description of the revised proposed use of funds. Funds may not be expended for the revised proposed use of funds until:

(1) HUD accepts the revised proposed use; and

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(2) For amendments to acquire, rehabilitate, convert, lease, repair or construct properties to provide housing, an environmental review of the revised proposed use of funds has been completed in accordance with § 574.510.

(Approved by the Office of Management and Budget under control number 2506-0133)

Subpart D—Uses of Grant Funds

§ 574.300 Eligible activities.

(a) *General.* Subject to applicable requirements described in §§ 574.310, 574.320, 574.330, and 574.340, HOPWA funds may be used to assist all forms of housing designed to prevent homelessness including emergency housing, shared housing arrangements, apartments, single room occupancy (SRO) dwellings, and community residences. Appropriate supportive services, as required by § 574.310(a), must be provided as part of any HOPWA assisted housing, but HOPWA funds may also be used to provide services independently of any housing activity.

(b) *Activities.* The following activities may be carried out with HOPWA funds:

(1) Housing information services including, but not limited to, counseling, information, and referral services to assist an eligible person to locate, acquire, finance and maintain housing. This may also include fair housing counseling for eligible persons who may encounter discrimination on the basis of race, color, religion, sex, age, national origin, familial status, or handicap;

(2) Resource identification to establish, coordinate and develop housing assistance resources for eligible persons (including conducting preliminary research and making expenditures necessary to determine the feasibility of specific housing-related initiatives);

(3) Acquisition, rehabilitation, conversion, lease, and repair of facilities to provide housing and services;

(4) New construction (for single room occupancy (SRO) dwellings and community residences only).

(5) Project- or tenant-based rental assistance, including assistance for shared housing arrangements;

(6) Short-term rent, mortgage, and utility payments to prevent the home-

lessness of the tenant or mortgagor of a dwelling;

(7) Supportive services including, but not limited to, health, mental health, assessment, permanent housing placement, drug and alcohol abuse treatment and counseling, day care, personal assistance, nutritional services, intensive care when required, and assistance in gaining access to local, State, and Federal government benefits and services, except that health services may only be provided to individuals with acquired immunodeficiency syndrome or related diseases and not to family members of these individuals;

(8) Operating costs for housing including maintenance, security, operation, insurance, utilities, furnishings, equipment, supplies, and other incidental costs;

(9) Technical assistance in establishing and operating a community residence, including planning and other pre-development or pre-construction expenses and including, but not limited to, costs relating to community outreach and educational activities regarding AIDS or related diseases for persons residing in proximity to the community residence;

(10) Administrative expenses:

(i) Each grantee may use not more than 3 percent of the grant amount for its own administrative costs relating to administering grant amounts and allocating such amounts to project sponsors; and

(ii) Each project sponsor receiving amounts from grants made under this program may use not more than 7 percent of the amounts received for administrative costs.

(11) For competitive grants only, any other activity proposed by the applicant and approved by HUD.

(c) *Faith-based activities.* (1) Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the HOPWA program. Neither the Federal government nor a State or local government receiving funds under HOPWA programs shall discriminate against an organization on the basis of the organization's religious character or affiliation.

(2) Organizations that are directly funded under the HOPWA program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the programs or services funded under this part. If an organization conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded under this part, and participation must be voluntary for the beneficiaries of the HUD-funded programs or services.

(3) An organization that participates in the HOPWA program will retain its independence from Federal, State, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not use direct HOPWA funds to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities to provide HOPWA-funded services, without removing religious art, icons, scriptures, or other religious symbols. In addition, a HOPWA-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

(4) An organization that participates in the HOPWA program shall not, in providing program assistance, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.

(5) HOPWA funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. HOPWA funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. Where a structure is used for both eligible and inherently religious activities, HOPWA funds may not exceed the cost of those portions of the acquisi-

tion, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to HOPWA funds in this part. Sanctuaries, chapels, or other rooms that a HOPWA-funded religious congregation uses as its principal place of worship, however, are ineligible for HOPWA-funded improvements. Disposition of real property after the term of the grant, or any change in use of the property during the term of the grant, is subject to government-wide regulations governing real property disposition (see 24 CFR parts 84 and 85).

(6) If a State or local government voluntarily contributes its own funds to supplement federally funded activities, the State or local government has the option to segregate the Federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

[57 FR 61740, Dec. 28, 1992, as amended at 59 FR 17200, Apr. 11, 1994; 68 FR 56405, Sept. 30, 2003]

§ 574.310 General standards for eligible housing activities.

All grantees using grant funds to provide housing must adhere to the following standards:

(a)(1) *General.* The grantee shall ensure that qualified service providers in the area make available appropriate supportive services to the individuals assisted with housing under this subpart. Supportive services are described in § 574.300(b)(7). For any individual with acquired immunodeficiency syndrome or a related disease who requires more intensive care than can be provided in housing assisted under this subpart, the grantee shall provide for locating a care provider who can appropriately care for the individual and for referring the individual to the care provider.

(2) *Payments.* The grantee shall ensure that grant funds will not be used to make payments for health services for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to that item or service:

(i) Under any State compensation program, under an insurance policy, or

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under any Federal or State health benefits program; or

(ii) By an entity that provides health services on a prepaid basis.

(b) *Housing quality standards.* All housing assisted under §574.300(b) (3), (4), (5), and (8) must meet the applicable housing quality standards outlined below.

(1) *State and local requirements.* Each recipient of assistance under this part must provide safe and sanitary housing that is in compliance with all applicable State and local housing codes, licensing requirements, and any other requirements in the jurisdiction in which the housing is located regarding the condition of the structure and the operation of the housing.

(2) *Habitability standards.* Except for such variations as are proposed by the locality and approved by HUD, recipients must meet the following requirements:

(i) *Structure and materials.* The structures must be structurally sound so as not to pose any threat to the health and safety of the occupants and so as to protect the residents from hazards.

(ii) *Access.* The housing must be accessible and capable of being utilized without unauthorized use of other private properties. Structures must provide alternate means of egress in case of fire.

(iii) *Space and security.* Each resident must be afforded adequate space and security for themselves and their belongings. An acceptable place to sleep must be provided for each resident.

(iv) *Interior air quality.* Every room or space must be provided with natural or mechanical ventilation. Structures must be free of pollutants in the air at levels that threaten the health of residents.

(v) *Water supply.* The water supply must be free from contamination at levels that threaten the health of individuals.

(vi) *Thermal environment.* The housing must have adequate heating and/or cooling facilities in proper operating condition.

(vii) *Illumination and electricity.* The housing must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of residents. Suf-

ficient electrical sources must be provided to permit use of essential electrical appliance while assuring safety from fire.

(viii) *Food preparation and refuse disposal.* All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a sanitary manner.

(ix) *Sanitary condition.* The housing and any equipment must be maintained in sanitary condition.

(c) *Minimum use period for structures.*

(1) Any building or structure assisted with amounts under this part must be maintained as a facility to provide housing or assistance for individuals with acquired immunodeficiency syndrome or related diseases:

(i) For a period of not less than 10 years, in the case of assistance provided under an activity eligible under §574.300(b) (3) and (4) involving new construction, substantial rehabilitation or acquisition of a building or structure; or

(ii) For a period of not less than 3 years in the cases involving non-substantial rehabilitation or repair of a building or structure.

(2) Waiver of minimum use period. HUD may waive the minimum use period of a building or structure as stipulated in paragraph (c)(1) of this section if the grantee can demonstrate, to the satisfaction of HUD, that:

(i) The assisted structure is no longer needed to provide supported housing or assistance, or the continued operation of the structure for such purposes is no longer feasible; and

(ii) The structure will be used to benefit individuals or families whose incomes do not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, if the Secretary finds that such variations are necessary because of construction costs or unusually high or low family incomes.

(d) *Resident rent payment.* Except for persons in short-term supported housing, each person receiving rental assistance under this program or residing in any rental housing assisted under this program must pay as rent, including utilities, an amount which is the higher of:

(1) 30 percent of the family's monthly adjusted income (adjustment factors include the age of the individual, medical expenses, size of family and child care expenses and are described in detail in 24 CFR 5.609). The calculation of the family's monthly adjusted income must include the expense deductions provided in 24 CFR 5.611(a), and for eligible persons, the calculation of monthly adjusted income also must include the disallowance of earned income as provided in 24 CFR 5.617, if applicable;

(2) 10 percent of the family's monthly gross income; or

(3) If the family is receiving payments for welfare assistance from a public agency and a part of the payments, adjusted in accordance with the family's actual housing costs, is specifically designated by the agency to meet the family's housing costs, the portion of the payment that is designated for housing costs.

(e) *Termination of assistance*—(1) *Surviving family members*. With respect to the surviving member or members of a family who were living in a unit assisted under the HOPWA program with the person with AIDS at the time of his or her death, housing assistance and supportive services under the HOPWA program shall continue for a grace period following the death of the person with AIDS. The grantee or project sponsor shall establish a reasonable grace period for continued participation by a surviving family member, but that period may not exceed one year from the death of the family member with AIDS. The grantee or project sponsor shall notify the family of the duration of their grace period and may assist the family with information on other available housing programs and with moving expenses.

(2) *Violation of requirements*—(i) *Basis*. Assistance to participants who reside in housing programs assisted under this part may be terminated if the participant violates program requirements or conditions of occupancy. Grantees must ensure that supportive services are provided, so that a participant's assistance is terminated only in the most severe cases.

(ii) *Procedure*. In terminating assistance to any program participant for

violation of requirements, grantees must provide a formal process that recognizes the rights of individuals receiving assistance to due process of law. This process at minimum, must consist of:

(A) Serving the participant with a written notice containing a clear statement of the reasons for termination;

(B) Permitting the participant to have a review of the decision, in which the participant is given the opportunity to confront opposing witnesses, present written objections, and be represented by their own counsel, before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and

(C) Providing prompt written notification of the final decision to the participant.

(Paragraph (c) approved by the Office of Management and Budget under control number 2506-0133)

[57 FR 61740, Dec. 28, 1992, as amended at 59 FR 17200, Apr. 11, 1994; 61 FR 7963, Feb. 29, 1996; 66 FR 6225, Jan. 19, 2001]

§ 574.320 Additional standards for rental assistance.

(a) If grant funds are used to provide rental assistance, the following additional standards apply:

(1) *Maximum subsidy*. The amount of grant funds used to pay monthly assistance for an eligible person may not exceed the difference between:

(i) The lower of the rent standard or reasonable rent for the unit; and

(ii) The resident's rent payment calculated under § 574.310(d).

(2) *Rent standard*. The rent standard shall be established by the grantee and shall be no more than the published section 8 fair market rent (FMR) or the HUD-approved community-wide exception rent for the unit size. However, on a unit by unit basis, the grantee may increase that amount by up to 10 percent for up to 20 percent of the units assisted.

(3) *Rent reasonableness*. The rent charged for a unit must be reasonable in relation to rents currently being charged for comparable units in the private unassisted market and must not be in excess of rents currently being charged by the owner for comparable unassisted units.

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(b) With respect to shared housing arrangements, the rent charged for an assisted family or individual shall be in relation to the size of the private space for that assisted family or individual in comparison to other private space in the shared unit, excluding common space. An assisted family or individual may be assigned a pro rata portion based on the ratio derived by dividing the number of bedrooms in their private space by the number of bedrooms in the unit. Participation in shared housing arrangements shall be voluntary.

[57 FR 61740, Dec. 28, 1992, as amended at 61 FR 7963, Feb. 29, 1996]

§ 574.330 Additional standards for short-term supported housing.

Short-term supported housing includes facilities to provide temporary shelter to eligible individuals as well as rent, mortgage, and utilities payments to enable eligible individuals to remain in their own dwellings. If grant funds are used to provide such short-term supported housing assistance, the following additional standards apply:

(a) *Time limits.* (1) A short-term supported housing facility may not provide residence to any individual for more than 60 days during any six month period. Rent, mortgage, and utilities payments to prevent the homelessness of the tenant or mortgagor of a dwelling may not be provided to such an individual for these costs accruing over a period of more than 21 weeks in any 52 week period. These limitations do not apply to rental assistance provided under § 574.300(b)(5).

(2) *Waiver of time limitations.* HUD may waive, as it determines appropriate, the limitations of paragraph (a)(1) and will favorably consider a waiver based on the good faith effort of a project sponsor to provide permanent housing under subsection (c).

(b) *Residency limitations.*—(1) *Residency.* A short-term supported facility may not provide shelter or housing at any single time for more than 50 families or individuals;

(2) *Waiver of residency limitations.* HUD may waive, as it determines appropriate, the limitations of paragraph (b)(1) of this section.

(c) *Placement.* A short-term supported housing facility assisted under this part must, to the maximum extent practicable, provide each individual living in such housing the opportunity for placement in permanent housing or in a living environment appropriate to his or her health and social needs.

(d) *Assistance to continue independent living.* In addition to the supportive services provided when an individual is relocated to a short-term supported housing facility, supportive services may be provided to individuals when they remain in their residence because the residence is appropriate to the needs of the individual. In the latter case, a rent, mortgage and utilities payments program assisted under this part shall provide, when reasonable, supportive services specifically designed to maintain the individual in such residence.

(e) *Case management services.* A program assisted under this section shall provide each assisted individual with an opportunity, if eligible, to receive case management services from the appropriate social service agencies.

(Paragraph (b) approved by the Office of Management and Budget under control number 2506-0133)

[57 FR 61740, Dec. 28, 1992, as amended at 59 FR 17200, Apr. 11, 1994]

§ 574.340 Additional standards for community residences.

(a) A community residence is a multiunit residence designed for eligible persons to provide a lower cost residential alternative to institutional care; to prevent or delay the need for such care; to provide a permanent or transitional residential setting with appropriate services to enhance the quality of life for those who are unable to live independently; and to enable such persons to participate as fully as possible in community life.

(b) If grant funds are used to provide a community residence, except for planning and other expenses preliminary to construction or other physical improvement for a community residence, the grantee must, prior to the expenditure of such funds, obtain and keep on file the following certifications:

(1) *A services agreement.* (i) A certification that the grantee will itself provide services as required by § 574.310(a) to eligible persons assisted by the community residence; or

(ii) A certification that the grantee has entered into a written agreement with a project sponsor or contracted service provider to provide services as required by § 574.310(a) to eligible persons assisted by the community residence;

(2) *The adequacy of funding.* (i) A certification that the grantee has acquired sufficient funding for these services; or

(ii) A certification that the grantee has on file an analysis of the service level needed for each community residence, a statement of which grantee agency, project sponsor, or service provider will provide the needed services, and a statement of how the services will be funded; and

(3) *Capability.* (i) A certification that the grantee is qualified to provide the services; or

(ii) A certification that the project sponsor or the service provider is qualified to provide the services.

[57 FR 61740, Dec. 28, 1992, as amended at 59 FR 17200, Apr. 11, 1994]

Subpart E—Special Responsibilities of Grantees and Project Sponsors

§ 574.400 Prohibition of substitution of funds.

Amounts received from grants under this part may not be used to replace other amounts made available or designated by State or local governments through appropriations for use for the purposes of this part.

§ 574.410 Capacity.

The grantee shall ensure that any project sponsor with which the grantee contracts to carry out an activity under this part has the capacity and capability to effectively administer the activity.

§ 574.420 Cooperation.

(a) The grantee shall agree, and shall ensure that each project sponsor agrees, to cooperate and coordinate in providing assistance under this part

with the agencies of the relevant State and local governments responsible for services in the area served by the grantee for eligible persons and other public and private organizations and agencies providing services for such eligible persons.

(b) A grantee that is a State shall obtain the approval of the unit of general local government in which a project is to be located before entering into a contract with a project sponsor to carry out an activity authorized under this part.

(c) A grantee that is a city receiving a formula allocation for an EMSA shall coordinate with other units of general local government located within the metropolitan statistical area to address needs within that area.

§ 574.430 Fee prohibitions.

The grantee shall agree, and shall ensure that each project sponsor agrees, that no fee, except rent, will be charged of any eligible person for any housing or services provided with amounts from a grant under this part.

§ 574.440 Confidentiality.

The grantee shall agree, and shall ensure that each project sponsor agrees, to ensure the confidentiality of the name of any individual assisted under this part and any other information regarding individuals receiving assistance.

§ 574.450 Financial records.

The grantee shall agree, and shall ensure that each project sponsor agrees, to maintain and make available to HUD for inspection financial records sufficient, in HUD's determination, to ensure proper accounting and disbursing of amounts received from a grant under this part.

Subpart F—Grant Administration

§ 574.500 Responsibility for grant administration.

(a) *General.* Grantees are responsible for ensuring that grants are administered in accordance with the requirements of this part and other applicable laws. Grantees are responsible for ensuring that their respective project

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sponsors carry out activities in compliance with all applicable requirements.

(b) *Grant agreement.* The grant agreement will provide that the grantee agrees, and will ensure that each project sponsor agrees, to:

(1) Operate the program in accordance with the provisions of these regulations and other applicable HUD regulations;

(2) Conduct an ongoing assessment of the housing assistance and supportive services required by the participants in the program;

(3) Assure the adequate provision of supportive services to the participants in the program; and

(4) Comply with such other terms and conditions, including recordkeeping and reports (which must include racial and ethnic data on participants), for program monitoring and evaluation purposes, as HUD may establish for purposes of carrying out the program in an effective and efficient manner.

(c) *Enforcement.* HUD will enforce the obligations in the grant agreement in accordance with the provisions of 24 CFR 85.43. A grantee will be provided an opportunity for informal consultation before HUD will exercise any remedies authorized in paragraph (a) of that section.

§574.510 Environmental procedures and standards.

(a) Activities under this part are subject to HUD environmental regulations in part 58 of this title, except that HUD will perform an environmental review in accordance with part 50 of this title for any competitive grant for Fiscal Year 2000.

(b) The recipient, its project partners and their contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct property for a project under this part, or commit or expend HUD or local funds for such eligible activities under this part, until the responsible entity (as defined in §58.2 of this title) has completed the environmental review procedures required by part 58 and the environmental certification and RROF have been approved (or HUD has performed an environmental review and the recipient has received HUD approval of the property). HUD will not

release grant funds if the recipient or any other party commits grant funds (i.e., incurs any costs or expenditures to be paid or reimbursed with such funds) before the recipient submits and HUD approves its RROF (where such submission is required).

(c) For activities under a grant to a nonprofit entity that would generally be subject to review under part 58, HUD may make a finding in accordance with §58.11(d) and may itself perform the environmental review under the provisions of part 50 of this title if the recipient nonprofit entity objects in writing to the responsible entity's performing the review under part 58. Irrespective of whether the responsible entity in accord with part 58 (or HUD in accord with part 50) performs the environmental review, the recipient shall supply all available, relevant information necessary for the responsible entity (or HUD, if applicable) to perform for each property any environmental review required by this part. The recipient also shall carry out mitigating measures required by the responsible entity (or HUD, if applicable) or select alternate eligible property.

[68 FR 56130, Sept. 29, 2003]

§574.520 Performance reports.

(a) *Formula grants.* For a formula grant recipient, the performance reporting requirements are specified in 24 CFR part 91.

(b) *Competitive grants.* A grantee shall submit to HUD annually a report describing the use of the amounts received, including the number of individuals assisted, the types of assistance provided, and any other information that HUD may require. Annual reports are required until all grant funds are expended.

[60 FR 1918, Jan. 5, 1995]

§574.530 Recordkeeping.

Each grantee must ensure that records are maintained for a four-year period to document compliance with the provisions of this part. Grantees must maintain current and accurate data on the race and ethnicity of program participants.

[57 FR 61740, Dec. 28, 1992, as amended at 60 FR 1918, Jan. 5, 1995]

§ 574.540 Deobligation of funds.

HUD may deobligate all or a portion of the amounts approved for eligible activities if such amounts are not expended in a timely manner, or the proposed activity for which funding was approved is not provided in accordance with the approved application or action plan and the requirements of this regulation. HUD may deobligate any amount of grant funds that have not been expended within a three-year period from the date of the signing of the grant agreement. The grant agreement may set forth other circumstances under which funds may be deobligated or sanctions imposed.

[61 FR 7963, Feb. 29, 1996]

Subpart G—Other Federal Requirements

§ 574.600 Cross-reference.

The Federal requirements set forth in 24 CFR part 5 apply to this program as specified in this subpart.

[61 FR 5209, Feb. 9, 1996]

§ 574.603 Nondiscrimination and equal opportunity.

Within the population eligible for this program, the nondiscrimination and equal opportunity requirements set forth in 24 CFR part 5 and the following requirements apply:

(a) *Fair housing requirements.* (1) Grantees and project sponsors shall comply with the applicable provisions of the Americans with Disabilities Act (42 U.S.C. 12101-12213) and implementing regulations at 28 CFR part 35 (States and local government grantees) and part 36 (public accommodations and requirements for certain types of short-term housing assistance).

(2) Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086, and 12107 (3 CFR, 1964-1965 Comp., p. 339; 3 CFR, 1966-1970 Comp., p. 684; 3 CFR, 1966-1970 Comp., p. 803; 3 CFR 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264) (Equal Employment Opportunity) does not apply to this program.

(b) *Affirmative outreach.* A grantee or project sponsor must adopt procedures to ensure that all persons who qualify for the assistance, regardless of their

race, color, religion, sex, age, national origin, familial status, or handicap, know of the availability of the HOPWA program, including facilities and services accessible to persons with a handicap, and maintain evidence of implementation of the procedures.

[57 FR 61740, Dec. 28, 1992, as amended at 59 FR 33894, June 30, 1994. Redesignated and amended at 61 FR 5209, Feb. 9, 1996; 61 FR 7964, Feb. 29, 1996]

§ 574.605 Applicability of OMB circulars.

The policies, guidelines, and requirements of 24 CFR part 85 (codified pursuant to OMB Circular No. A-102) and OMB Circular No. A-87 apply with respect to the acceptance and use of funds under the program by States and units of general local government, including public agencies, and Circulars Nos. A-110 and A-122 apply with respect to the acceptance and use of funds under the program by private non-profit entities. (Copies of OMB Circulars may be obtained from E.O.P. Publications, room 2200, New Executive Office Building, Washington, DC 20503, telephone (202) 395-7332. (This is not a toll-free number.) There is a limit of two free copies.

§ 574.625 Conflict of interest.

(a) In addition to the conflict of interest requirements in OMB Circular A-102 and 24 CFR 85.36(b)(3), no person who is an employee, agent, consultant, officer, or elected or appointed official of the grantee or project sponsor and who exercises or has exercised any functions or responsibilities with respect to assisted activities, or who is in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one year thereafter.

(b) *Exceptions: Threshold requirements.* Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (a) of this

section when it determines that the exception will serve to further the purposes of the HOPWA program and the effective and efficient administration of the recipient's program or project. An exception may be considered only after the recipient has provided the following:

(1) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and

(2) An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.

(c) *Factors to be considered for exceptions.* In determining whether to grant a requested exception after the recipient has satisfactorily met the requirements of paragraph (b) of this section, HUD will consider the cumulative effect of the following factors, where applicable:

(1) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project that would otherwise not be available;

(2) Whether the person affected is a member of a group or class of eligible persons and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

(3) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decisionmaking process with respect to the specific assisted activity in question;

(4) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (a) of this section;

(5) Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and

(6) Any other relevant considerations.

§ 574.630 Displacement, relocation and real property acquisition.

(a) *Minimizing displacement.* Consistent with the other goals and objectives of this part, grantees and project

sponsors must assure that they have taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of a project assisted under this part.

(b) *Relocation assistance for displaced persons.* A displaced person (defined in paragraph (f) of this section) must be provided relocation assistance at the levels described in, and in accordance with the requirements of, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR part 24.

(c) *Real property acquisition requirements.* The acquisition of real property for a project is subject to the URA and the requirements described in 49 CFR part 24, subpart B.

(d) *Appeals.* A person who disagrees with the grantee's or project sponsor's determination concerning whether the person qualifies as a "displaced person," or the amount of relocation assistance for which the person is eligible, may file a written appeal of that determination with the grantee. A low-income person who is dissatisfied with the grantee's determination on his or her appeal may submit a written request for review of that determination to the HUD Field Office.

(e) *Responsibility of grantee.* (1) Each grantee shall certify (i.e., provide assurance of compliance as required by 49 CFR part 24) that it will comply with the URA, the regulations at 49 CFR part 24, and the requirements of this section, and shall ensure such compliance notwithstanding any third party's contractual obligation to the grantee to comply with these provisions.

(2) The cost of required relocation assistance is an eligible project cost in the same manner and to the same extent as other project costs. Such costs also may be paid for with funds available from other sources.

(3) The grantee shall maintain records in sufficient detail to demonstrate compliance with these provisions.

(f) *Definition of displaced person.* (1) For purposes of this section, the term "displaced person" means a person (family, individual, business, nonprofit organization, or farm) that moves from

real property, or moves personal property from real property, permanently, as a direct result of acquisition, rehabilitation, or demolition for a project assisted under this part. This includes any permanent, involuntary move for an assisted project including any permanent move for an assisted project, including any permanent move from the real property that is made:

(i) After notice by the grantee, project sponsor, or property owner to move permanently from the property, if the move occurs on or after the date that the grantee submits to HUD an application for assistance that is later approved and funded;

(ii) Before the submission of the application to HUD, if the grantee, project sponsor, or HUD determines that the displacement resulted directly from acquisition, rehabilitation, or demolition for the assisted project; or

(iii) By a tenant-occupant of a dwelling unit, if any one of the following three situations occurs:

(A) The tenant moves after the "initiation of negotiations" and the move occurs before the tenant has been provided written notice offering him or her the opportunity to lease and occupy a suitable, decent, safe and sanitary dwelling in the same building/complex, under reasonable terms and conditions, upon completion of the project. Such reasonable terms and conditions include a monthly rent and estimated average monthly utility costs that do not exceed the greater of:

(1) The tenant's monthly rent before the initiation of negotiations and estimated average utility costs, or

(2) 30 percent of gross household income; or

(B) The tenant is required to relocate temporarily, does not return to the building/complex and either:

(1) The tenant is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, or

(2) Other conditions of the temporary relocation are not reasonable; or

(C) The tenant is required to move to another unit in the same building/complex but is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the

move, or other conditions of the move are not reasonable.

(2) Notwithstanding the provisions of paragraph (f)(1) of this section, a person does not qualify as a "displaced person" (and is not eligible for relocation assistance under the URA or this section), if:

(i) The person has been evicted for serious or repeated violation of the terms and conditions of the lease or occupancy agreement, violation or applicable Federal, State or local law, or other good cause, and HUD determines that the eviction was not undertaken for the purposes of evading the obligation to provide relocation assistance;

(ii) The person moved into the property after the submission of the application and, before signing a lease and commencing occupancy, was provided written notice of the project, its possible impact on the person (e.g., the person may be displaced, temporarily relocated, or suffer a rent increase) and the fact that the person would not qualify as a "displaced person" (or for any assistance provided under this section), if the project is approved;

(iii) The person is ineligible under 49 CFR 24.2(g)(2); or

(iv) HUD determines that the person was not displaced as a direct result of acquisition, rehabilitation, or demolition for the project.

(3) The grantee or project sponsor may request, at any time, HUD's determination of whether a displacement is or would be covered under this section.

(g) *Definition of initiation of negotiations.* For purposes of determining the formula for computing the replacement housing assistance to be provided to a residential tenant displaced as a direct result of privately undertaken rehabilitation, demolition, or acquisition of the real property, the term "initiation of negotiations" means the execution of the agreement between the grantee and the project sponsor.

§ 574.635 Lead-based paint.

The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, H, J, K, M, and

§ 574.640

R of this part apply to activities under this program.

[64 FR 50226, Sept. 15, 1999]

§ 574.640 Flood insurance protection.

No property to be assisted under this part may be located in an area that has been identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, unless:

(a)(1) The community in which the area is situated is participating in the National Flood Insurance Program and the regulations thereunder (44 CFR parts 59 through 79); or

(2) Less than a year has passed since FEMA notification regarding such hazards; and

(b) The grantee will ensure that flood insurance on the structure is obtained in compliance with section 102(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 et seq.).

§ 574.645 Coastal barriers.

In accordance with the Coastal Barrier Resources Act, 16 U.S.C. 3501, no financial assistance under this part may be made available within the Coastal Barrier Resources System.

§ 574.650 Audit.

The financial management system used by a State or unit of general local government that is a grantee must provide for audits in accordance with 24 CFR part 44. A nonprofit organization that is a grantee or a project sponsor is subject to the audit requirements set forth in 24 CFR part 45.

§ 574.655 Wage rates.

The provisions of the Davis-Bacon Act (40 U.S.C. 276a-276a-5) do not apply to this program, except where funds received under this part are combined with funds from other Federal programs that are subject to the Act.

[59 FR 17201, Apr. 11, 1994]

24 CFR Ch. V (4-1-08 Edition)

PART 576—EMERGENCY SHELTER GRANTS PROGRAM: STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT

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AUTHORITY: 42 U.S.C. 3535(d) and 11376.

SOURCE: 54 FR 46799, Nov. 7, 1989, unless otherwise noted.

Subpart A—General

§ 576.1 Applicability and purpose.

This part implements the Emergency Shelter Grants program contained in subtitle B of title IV of the Stewart B. McKinney Homeless Assistance Act (42

Housing Opportunities for Persons with AIDS (HOPWA)

Guidelines for Eligibility

Introduction: This Housing Opportunities for Persons with AIDS (HOPWA) program is designed for the prevention of homelessness, not the maintenance of an individual's lifestyle. The Housing Committee of the Riverside/San Bernardino, California eligible metropolitan area (EMA) has determined that limits must be put in place to not only help clients prevent themselves from becoming homeless but for the integrity of the program itself. There is no requirement that individuals make recommended changes. However, if changes are not made, ongoing assistance cannot be approved. Resources must be directed to those in greatest need.

Goal: The goal of this policy is to prevent homelessness among persons living with HIV/AIDS.

Objectives:

1. To assist HOPWA clients in maintaining safe, sanitary and affordable housing; including the maintenance of utility service.
2. To promote sound financial planning for HOPWA clients.
3. To foster self-sufficiency and independence among HOPWA clients.
4. To ensure that HOPWA funds are utilized only for financial hardships that could lead to homelessness or displacement.
5. To increase stability among HOPWA clients designed to promote adherence to medical regimens.

Definitions:

Person Living with HIV/AIDS – Any person with proof (laboratory test result or a letter from a licensed physician) indicating that individual has serologic evidence of infection with the human immunodeficiency virus (HIV) or has been diagnosed with the acquired immunodeficiency syndrome (AIDS).

Family – A household composed of two or more related persons. The term family also includes one or more eligible person living with another person or persons who are determined to be important to their care or well being, and the surviving member or members of any family described in this definition who were living in a unit assisted under the HOPWA program with the person with HIV/AIDS at the time of his or her death.

Low Income – Household income levels are established on an annual basis by the United States Department of Housing and Urban Development (HUD). Income Limits are as follows:

Maximum Annual Household Income by Number of Persons Living in Household
Effective March 9, 2009

One	Two	Three	Four	Five	Six	Seven	Eight
\$37,300	\$42,650	\$47,950	\$53,300	\$57,550	\$61,850	\$66,100	\$70,350

The income of all persons who live within a given residence must be included in the calculation of household income. The only exception is for certified caregivers. Proper documentation is required. A caregiver's income is to be excluded from the calculation of household income.

Permanent Housing Placement as Supportive Services – Hotel/motel shelter for persons who would otherwise be homeless. No individual is eligible for more than 21 weeks of assistance in any 52 week period.

Permanent Housing Placement as Supportive Services - First month's rent and security deposits; credit checks. Not to exceed 2 months of rent cost, including security deposits and fees for credit checks.

Short-term Housing and Utilities Assistance – Payment of rent, mortgage and utilities payments to prevent homelessness of the tenant or mortgagor of a dwelling. No individual is eligible for more than 21 weeks of assistance in any 52 week period.

Tenant-based Housing – Payment of rent to low income households to permit HOPWA eligible individuals to remain within their homes. The amount of rent will be determined in accordance with HOPWA regulations, 24 CFR 574.310.

Grantee – The Grantee for the Riverside/San Bernardino, CA EMA is the City of Riverside. The Grantee representative is:

Don Smith
City of Riverside Housing and Neighborhood Division
3900 Main Street,
Riverside, CA 92522
(951) 826-5615

Project Sponsor – The Project Sponsor for Riverside County is the Housing Authority, County of Riverside. The Project Sponsor representative is:

David Maud, Housing Specialist II
Housing Authority, County of Riverside
44-199 Monroe, Ste B
Indio, CA 92201
(760) 863-2833

Initial Assessment:

1. All contractual obligations for documentation for HOPWA eligibility will be met. Refer to agency contract, attachments or side letters with the Project Sponsor for HOPWA services.
2. The housing case manager will make an initial assessment of client eligibility and need for emergency housing assistance, short-term housing and utilities assistance, or tenant-based assistance. The intent is to establish an accurate account of the client's finances and financial plan.

Verification of income can be met as outlined below:

For Households Receiving Income: Each person in the household must provide a copy of income covering four (4) consecutive weeks prior to the date of the application. Only certified caregivers are exempt from this requirement.

The following may be used as proof of income:

- a. Most recent check stubs or pay slips.

OR

- b. A copy of the previous year's income tax return.

OR

- c. Letter from employer on business letterhead stating monthly earnings.

OR

- d. A copy of current award letter from Social Security, Social Security Disability or Long-term Disability. Bank statements will be accepted only if the source of income is clearly identified in the document itself.

For Households Not Receiving Income: Each person in a household with no income must provide one or more of the following:

- If unable to work due to disability, a copy of disability application submitted.

OR

- A copy of "pending" letter from Social Security

OR

- A letter from a licensed physician stating the nature of the disability which has resulted in an inability to work and the expected length of time (including dates) that the person will be unable to work.

AND

- A copy of the most recent income tax return.
3. If the client is determined to be delinquent in filing income tax returns, an immediate referral is to be made to legal services. Low cost legal services are available through Inland County Legal Services (888) 455-4257.
 4. Client may be required to sign an agreement allowing the housing case manager to request a credit report from "Tenant Credit Reporting", "Consumer Credit Line" or a comparable agency. The credit report will be maintained on file by the case manager.
 5. Client will be required to provide documentation of other assets including automobiles, properties owned (other than primary residence); and investment and retirement accounts.
 6. Utilizing the information collected, the housing case manager will complete a financial fact sheet showing all income for the applicant.
 7. The housing case manager will then determine qualification for funds and the need for funds. Major considerations will include:

Qualification for Funds

- Annual household income does not exceed the figure established by HUD.
- Other assets shall not exceed identified county-wide norms for persons living with HIV/AIDS (i.e., Medically Indigent Services Program or Medi-Cal eligible, one automobile, one primary residence). No secondary residences, rental/income properties, including timeshares, or vacation clubs are allowed.
- Demonstration (i.e. copies of income tax returns, credit report, automobile registration) that the client has provided accurate and complete information. Evidence of misrepresentation or fraud will result in a denial of the request for assistance.

Need for Funds

- Potential for becoming homeless, including the maintenance of utility service.
- Demonstration that the reason(s) for requiring assistance was/were beyond the client's control. It is recognized that this is highly subjective and therefore, must be documented in client record.

The housing case manager must consider the total clinical picture of the client before deciding if the client needs funds (i.e., active substance abuse, mental health issues, or compulsive gambling). For purposes of determining eligibility, spending beyond or in lieu of basic necessities such as food, rent/mortgage, utilities and clothing does not demonstrate sound financial planning. The housing case manager must have clear, complete documentation, including referrals to supportive services before the request can be approved.

8. Applicants who are in the Housing Options Program, Section 8, Shelter Plus Care, other subsidized living programs or residing in properties owned by or subsidized in any other manner are ineligible for assistance funds under HOPWA.

9. Move-in costs such as first month's rent and security deposits are allowable under supportive services assistance. To be eligible for assistance, the client must be a tenant on a valid lease for the property in which they will be residing or have been residing for a time before seeking the HOPWA assistance.

10. Application for rental housing (credit checks) fees is an allowable expense under the supportive services assistance.

11. The maximum duration of short-term housing and utilities assistance is 21 weeks in any 52 week period. The total amount of assistance in that 12-month period shall not exceed \$2,600.00.

Ongoing Assessment

Each request for assistance is to be evaluated on its own merit. At the time of each request, complete documentation of the need for funds must be provided. In addition to the documentation required for contract compliance, the client must provide the following:

- Proof of income
- Copies of receipts for all bills paid or canceled checks, if applicable, or any other documentation that verifies that income was spent for living expenses, (i.e., rent, utilities, food, medical expenses, transportation, etc.)

The housing case manager will make an assessment of the appropriateness of expenditures beyond the necessities of daily living (i.e., rent, mortgage, food and clothing). This decision can be based upon multiple factors including whether the expense was necessary, whether the expense was a one-time problem, a chronic situation or an unavoidable emergency.

If the client cannot provide clear documentation with the aforementioned statements of living expenses, the request is to be denied unless the client agrees to seek financial counseling within four weeks. Credit counseling is available through Springboard Nonprofit Consumer Credit Management, formerly Consumer Credit Counseling at (800) 947-3752. Verification of participation in credit counseling and a financial plan must be provided to the housing case manager.

Should the housing case manager question a client's capacity to live within the financial plan, he/she may request that the client re-visit a credit counselor within four weeks. Should the client refuse to do so, the request for assistance is to be denied.

After 16 of the 21 allowable weeks of either rent/mortgage or utility assistance is provided in a 52 week period, the housing case manager will review the financial plan to evaluate why the client cannot live within the plan. The housing case manager will require that the client take action to live within a reasonable financial plan before issuing any further funds. This could include such actions as: recommending that the client seek legal counsel to determine if a declaration of bankruptcy is appropriate; move to more affordable housing; enter a drug counseling and treatment program; cancel some or all credit cards; discontinue some services (i.e., cell phones, cable television [unless that is the only source for television reception], pager, magazine subscriptions, expensive car payments). If the client refuses to make the changes, the housing case manager will deny the request for assistance.

Exceptions:

Exceptions to these policies and procedures require prior written approval from the Project Sponsor.