

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

436



FROM: Economic Development Agency

SUBMITTAL DATE:
June 14, 2010

SUBJECT: Execution of 2010-2011 Community Development Block Grant and Emergency Shelter Grant Subrecipient Agreements

RECOMMENDED MOTION: That the Board of Supervisors approve and authorize the Assistant County Executive Officer/EDA or his designee to execute, subject to County Counsel approval, CDGB Sponsor's Agreements, CDBG Supplemental Agreements, and ESG Agreements by and between the County and the subrecipients in the forms attached as Exhibit A and in accordance with the approved 2010-2011 One-Year Action Plan.

BACKGROUND: On May 4, 2010, the Board approved the 2010-2011 One-Year Action Plan. The approved Action Plan establishes how, and to whom, the County will allocate the \$9,621,208 of CDBG funds and \$390,003 of ESG funds. In order to implement and carry out the activities listed in the Action Plan, the County must enter into agreements with the various CDBG and ESG subrecipients.

(Continued)

FORM APPROVED COUNTY COUNSEL
BY: MICHELLE CLACK
DATE: 6/21/10
Departmental Concurrence

Robert Field

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	10/11

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: 2010-2011 Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG) Funds	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

Jennifer L. Sargent
BY: Jennifer L. Sargent

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Buster and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: July 13, 2010
xc: EDA

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

Prev. Agn. Ref.: 16.1 of 4/6/10, 16.4 of 5/04/10	District: ALL	Agenda Number:
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3.36

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

BACKGROUND:

The 2010-2011 Action Plan will require the execution of 80 subrecipient agreements: 11 Supplemental Agreements; 10 ESG Agreements; and 59 Sponsor's Agreements.

FINANCIAL DATA:

The CDBG and ESG programs are 100% federally-funded through HUD's CPD Programs. Portions of these grants include funding for administrative costs. No County General Funds will be used to administer these federal grants.

ATTACHMENTS:

1. CDBG Sponsor's Agreement Template
2. CDBG Supplemental Agreement Template
3. ESG Agreement Template

**SPONSOR'S AGREEMENT FOR THE USE OF
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

This Agreement is made and entered into this _____ day of _____, 2010, by and between County of Riverside of the State of California, hereinafter referred to as "COUNTY", and «SPONSOR», a California non-profit Corporation, hereinafter referred to as "SPONSOR".

W I T N E S S E T H:

WHEREAS, the Housing and Community Development Act of 1974, Title 1, as amended (the "ACT"), provides that certain grant funds may be used for certain discretionary projects which primarily benefit low and moderate income persons, persons with disabilities, remove slums or blight, or which meet urgent community development needs; and

WHEREAS, COUNTY has qualified as an "Urban County" for purposes of receiving Community Development Block Grant (CDBG) funds which are to be used to assist and undertake essential community development and housing assistance activities pursuant to the Act; and

WHEREAS, SPONSOR is eligible under the Act to receive CDBG funds to perform those activities described herein; and

WHEREAS, the SPONSOR has submitted its proposal to the COUNTY for funding of the activities described herein; and

WHEREAS, the CDBG-assisted activities described herein comply with one of the national objectives as required under 24 CFR §570.200(a)(2):

NOW, THEREFORE, the COUNTY and SPONSOR mutually agree as follows:

1. PURPOSE. SPONSOR promises and agrees to undertake and assist with COUNTY's community development activities by utilizing the sum of «Total_Granted_Funding», CDBG Entitlement Funds, as specifically identified in Exhibit "A," which is attached hereto and by this reference is incorporated herein, for the following project: «Project_Name».

1 2. TERM OF AGREEMENT. This Agreement shall become effective upon the
2 Effective Date, as defined herein, and shall continue in full force and effect for a period of one
3 (1) year from JULY 1, 2010 – JUNE 30, 2011.

4 3. COMPLETION SCHEDULE. SPONSOR shall proceed consistent with Section
5 IV as set forth in Exhibit "A".

6 4. EXTENSION OF TIME. COUNTY may grant an extension to the completion
7 schedule for the purpose of completing SPONSOR'S projects/activities which are underway
8 and cannot be completed during the term of this Agreement. SPONSOR shall request said
9 extension in writing, stating the reasons therefore, and may be granted only by receiving
10 written approval from COUNTY. Every term, condition, covenant and requirement of this
11 Agreement shall continue in full force and effect during the period of any such extension. In
12 the event that the SPONSOR does not request an extension, or if no extension is authorized by
13 the COUNTY, the CDBG funds may be reprogrammed by COUNTY in accordance with
14 Paragraph 6 of this Agreement.

15 5. LETTER TO PROCEED. SPONSOR shall not initiate nor incur expenses for the
16 CDBG funded project/activity covered under the terms of this Agreement prior to receiving
17 written authorization to proceed.

18 6. REPROGRAMMING OF FUNDS. If the County determines that substantial
19 progress toward completion of a project is not made during the term of this Agreement, the
20 entitlement funds associated with the project may be reprogrammed by COUNTY after a thirty
21 (30) day written notice is given to SPONSOR.

22 7. DISPOSITION OF FUNDS. COUNTY'S Board of Supervisors shall determine
23 the final disposition and distribution of all funds received by COUNTY under the Act
24 consistent with the provisions of Paragraphs 1 and 2 of this Agreement. COUNTY, through its
25 Economic Development Agency, shall: (1) make payments of the grant funds to SPONSOR as
26 designated in Exhibit "A", and (2) monitor the public service activity to ensure compliance
27 with applicable federal regulations and the terms of this Agreement.
28

1 8. DISTRIBUTION OF FUNDS. The COUNTY shall pay to the SPONSOR the
2 sum specified in paragraph 1 above on a reimbursable basis for all approved costs. The
3 SPONSOR shall submit not more often than monthly to the CDBG Administrator of COUNTY
4 a certified statement setting forth in detail the expenditures made for which it is asking
5 reimbursement along with pertinent supporting documentation. The COUNTY shall promptly
6 review the monthly expenditure statement and reimburse the SPONSOR for the approved costs
7 in accordance with its usual accounting procedures. The COUNTY may require from
8 SPONSOR such supporting documentation as may be necessary and appropriate for the
9 COUNTY to make its determination as to allowable costs. Each disbursement of CDBG funds
10 shall be made within thirty (30) days after SPONSOR has submitted, to the COUNTY, a
11 complete and approved statement of expenditures. In the event the United States Department of
12 Housing and Urban Development shall determine the purpose or any of the expenditures above
13 described are ineligible for funding by the COUNTY, the SPONSOR shall reimburse the
14 COUNTY the amount of the cost so disallowed.

15 9. RECORDS AND INSPECTIONS.

16 a. SPONSOR shall establish and maintain financial, programmatic,
17 statistical, and other supporting records of its operations and financial activities in accordance
18 with 24 CFR 570, Part 84 and Part 85, and OMB Circulars A-21, A-87, A-110, A-122, and
19 A-133, as applicable, as they relate to the acceptance and use of federal funds under this
20 Agreement. Said records shall be retained for such time as may be required by the regulations
21 of the Housing and Community Development Act, but in no case for less than five (5) years
22 from the date of this Agreement.

23 b. SPONSOR shall maintain a separate account for CDBG Entitlement funds
24 received as set forth in Exhibit "A".

25 c. SPONSOR shall obtain an external audit in accordance with the U.S.
26 Department of Housing and Urban Development single audit regulations (24 CFR Part 44.6).
27 Audits shall usually be performed annually but not less frequently than every two years.
28 Nonprofit institutions and government agencies that expend less than \$500,000 a year in

1 Federal awards are exempt from Federal audit requirements, but records must be available for
2 review by appropriate officials of the Federal grantor agency or subgranting entity. The audit
3 report shall be submitted to the COUNTY within 180 days after the end of the COUNTY'S
4 fiscal year.

5 d. SPONSOR shall, during the normal business hours make available to
6 COUNTY and to the Department of Housing and Urban Development for examination and
7 copying all of its records and other materials with respect to matters covered by this
8 Agreement.

9 e. SPONSOR shall not retain any program income as defined in Section
10 570.500 of Title 24 of the Federal Code of Regulations.

11 f. SPONSOR shall submit to the COUNTY copies of all studies and reports
12 prepared for this project and the COUNTY shall have the right to the use and benefit of all
13 such studies and reports.

14 g. If this CDBG-funded activity meets a National Objective by serving
15 limited clientele as defined in 24 CFR 570.208(a)(2)(i), the SPONSOR shall ensure that at least
16 fifty-one percent (51%) of the persons benefiting from the CDBG funded activities are of low
17 and moderate-income and meet the program income guidelines attached as Exhibit IG. The
18 SPONSOR must provide the required direct benefit documentation.

19 10. COMPLIANCE WITH LAWS AND REGULATIONS. The SPONSOR shall
20 comply with all applicable federal, state and local laws, regulations and ordinances. By
21 executing this Agreement, the SPONSOR hereby certifies that it will adhere to and comply
22 with the following as they may be applicable to a subrecipient of funds granted pursuant to the
23 Housing and Community Development Act of 1974, as amended:

24 a. The Housing and Community Development Act of 1974, as amended, and
25 the regulations issued thereto;

26 b. Section 3 of the Housing and Urban Development Act of 1968, as
27 amended; attached hereto as Exhibit "S".

28 c. Executive Order 11246, as amended by Executive Orders 11375 and

1 12086, and implementing regulations at 41 CFR Chapter 60;

2 d. Executive Order 11063, as amended by Executive Order 12259, and
3 implementing regulations at 24 CFR Part 107;

4 e. Section 504 of the Rehabilitation Act of 1973 (PL 93-112), as amended,
5 and implementing regulations;

6 f. The Age Discrimination Act of 1975 (PL 94-135), as amended, and
7 implementing regulations;

8 g. The relocation requirements of Title II and the acquisition requirements of
9 Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of
10 1970, and the implementing regulations at 24 CFR Part 42;

11 h. The labor standard requirements as set forth in 24 CFR Part 570, Subpart
12 K and HUD regulations issued to implement such requirements;

13 i. Executive Order 11988 relating to the evaluation of flood hazards and
14 Executive Order 11288 relating to the prevention, control and abatement of water pollution;

15 j. The flood insurance purchase requirements of Section 102(a) of the Flood
16 Disaster Protection Act of 1973 (PL 93-234);

17 k. The regulations, policies, guidelines and requirements of 24 CFR Part 85
18 "Common Rule," OMB Circular Nos. A-87, A-21, A-110, A-122 and A-133 as they relate to
19 the acceptance and use of federal funds under the federally-assigned program;

20 l. Title VI of the Civil Rights Act of 1964 (PL 88-352) and implementing
21 regulations issued at 24 CFR Part 1;

22 m. Title VIII of the Civil Rights Act of 1968 (PL 90-284) as amended; and

23 n. The lead-based paint requirements of 24 CFR Part 35 issued pursuant to
24 the Lead-based Paint Poisoning Prevention Act (42 USC 4801, et seq.);

25 o. Uniform Administration Requirements pursuant to 24 CFR 570.502.

26 p. The SPONSOR shall carry out its activity pursuant to this Agreement in
27 compliance with all federal laws and regulations described in Subpart K of Title 24 of the Code
28 of Federal Regulations, except that:

1 (1) The SPONSOR does not assume the COUNTY'S environmental
2 responsibilities described at §570.604; and

3 (2) The SPONSOR does not assume the COUNTY'S responsibility for
4 initiating the review process under the provisions of 24 CFR Part 52.

5 q. All Uniform Administrative Requirements pursuant to 24 CFR 570.502.

6 11. COMMUNITY DEVELOPMENT BLOCK GRANT MANUAL. SPONSOR
7 certifies that the staff assigned to the CDBG-funded activities have received, reviewed, and
8 will follow the COUNTY's Community Development Block Grant Policy Manual, which is
9 incorporated herein by this reference and made a part hereof.

10 12. COOPERATION WITH COMMUNITY DEVELOPMENT ACTIVITIES.
11 SPONSOR shall cooperate with COUNTY in undertaking essential community development
12 and housing assistance activities, and shall assist COUNTY in carrying out its Strategic Plan of
13 the Five Year Consolidated Plan and other requirements of the Community Development
14 Block Grant Program.

15 13. LEAD AGENCY FOR COMPLIANCE WITH THE CALIFORNIA
16 ENVIRONMENTAL QUALITY ACT (CEQA). Pursuant to Section 15051(d) of Title 14 of
17 the California Administrative Code, COUNTY is designated as the lead agency for the project
18 that is the subject matter of this Agreement.

19 14. HOLD HARMLESS AND INDEMNIFICATION. SPONSOR shall indemnify
20 and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and
21 Departments, their respective directors, officers, Board of Supervisors, elected and appointed
22 officials, employees, agents and representatives from any liability whatsoever, based or
23 asserted upon any services of SPONSOR, its officers, employees, subcontractors, agents or
24 representatives arising out of or in any way relating to this Agreement, including but not
25 limited to property damage, bodily injury, or death or any other element of any kind or nature
26 whatsoever arising from the performance of SPONSOR, its officers, agents, employees,
27 subcontractors, agents or representatives from this Agreement. SPONSOR shall defend, at its
28 sole expense, all costs and fees including, but not limited, to attorney fees, cost of

1 investigation, defense and settlements or awards, the County of Riverside, its Agencies,
2 Districts, Special Districts and Departments, their respective directors, officers, Board of
3 Supervisors, elected and appointed officials, employees, agents and representatives in any
4 claim or action based upon such alleged acts or omissions.

5 With respect to any action or claim subject to indemnification herein by SPONSOR,
6 SPONSOR shall, at their sole cost, have the right to use counsel of their own choice and shall
7 have the right to adjust, settle, or compromise any such action or claim without the prior
8 consent of COUNTY; provided, however, that any such adjustment, settlement or compromise
9 in no manner whatsoever limits or circumscribes SPONSOR'S indemnification to COUNTY as
10 set forth herein.

11 SPONSOR'S obligation hereunder shall be satisfied when SPONSOR has provided to
12 COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the
13 action or claim involved.

14 The specified insurance limits required in this Agreement shall in no way limit or
15 circumscribe SPONSOR'S obligations to indemnify and hold harmless the COUNTY herein
16 from third party claims.

17 15. INSURANCE. Without limiting or diminishing the SPONSOR'S obligation to
18 indemnify or hold the COUNTY harmless, SPONSOR shall procure and maintain or cause to
19 be maintained, at its sole cost and expense, the following insurance coverage's during the term
20 of this Agreement.

21 A. Workers' Compensation:

22 If the SPONSOR has employees as defined by the State of California, the SPONSOR
23 shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the
24 laws of the State of California. Policy shall include Employers' Liability (Coverage B)
25 including Occupational Disease with limits not less than \$1,000,000 per person per accident.
26 The policy shall be endorsed to waive subrogation in favor of The County of Riverside, and, if
27 applicable, to provide a Borrowed Servant/Alternate Employer Endorsement.
28

1 B. Commercial General Liability:

2 Commercial General Liability insurance coverage, including but not limited to,
3 premises liability, contractual liability, products and completed operations liability, personal
4 and advertising injury, and cross liability coverage, covering claims which may arise from or
5 out of SPONSOR'S performance of its obligations hereunder. Policy shall name the County of
6 Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors,
7 officers, Board of Supervisors, employees, elected or appointed officials, agents or
8 representatives as Additional Insureds. Policy's limit of liability shall not be less than
9 \$1,000,000 per occurrence combined single limit. If such insurance contains a general
10 aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the
11 occurrence limit.

12 C. Vehicle Liability:

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

21 D. General Insurance Provisions - All lines:

22 1) Any insurance carrier providing insurance coverage hereunder shall be admitted
23 to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless
24 such requirements are waived, in writing, by the County Risk Manager. If the County's Risk
25 Manager waives a requirement for a particular insurer such waiver is only valid for that
26 specific insurer and only for one policy term.

27 2) The SPONSOR'S insurance carrier(s) must declare its insurance self-insured
28 retentions. If such self-insured retentions exceed \$500,000 per occurrence such retentions shall

1 have the prior written consent of the County Risk Manager before the commencement of
2 operations under this Agreement. Upon notification of self insured retention unacceptable to
3 the COUNTY, and at the election of the Country's Risk Manager, SPONSOR'S carriers shall
4 either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the
5 COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations,
6 claims administration, and defense costs and expenses.

7 3) SPONSOR shall cause SPONSOR'S insurance carrier(s) to furnish the County of
8 Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified
9 original copies of Endorsements effecting coverage as required herein, and 2) if requested to do
10 so orally or in writing by the County Risk Manager, provide original Certified copies of
11 policies including all Endorsements and all attachments thereto, showing such insurance is in
12 full force and effect. Further, said Certificate(s) and policies of insurance shall contain the
13 covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the
14 County of Riverside prior to any material modification, cancellation, expiration or reduction in
15 coverage of such insurance. In the event of a material modification, cancellation, expiration, or
16 reduction in coverage, this Agreement shall terminate forthwith, unless the County of
17 Riverside receives, prior to such effective date, another properly executed original Certificate
18 of Insurance and original copies of endorsements or certified original policies, including all
19 endorsements and attachments thereto evidencing coverage's set forth herein and the insurance
20 required herein is in full force and effect. *SPONSOR shall not commence operations until the*
21 *COUNTY has been furnished original Certificate (s) of Insurance and certified original copies*
22 *of endorsements and if requested, certified original policies of insurance including all*
23 *endorsements and any and all other attachments as required in this Section.* An individual
24 authorized by the insurance carrier to do so on its behalf shall sign the original endorsements
25 for each policy and the Certificate of Insurance.

26 4) It is understood and agreed to by the parties hereto that the SPONSOR'S
27 insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or
28 deductibles and/or self-insured retention's or self-insured programs shall not be construed as

1 contributory.

2 5) If, during the term of this Agreement or any extension thereof, there is a material
3 change in the scope of services; or, there is a material change in the equipment to be used in
4 the performance of the scope of work which will add additional exposures (such as the use of
5 aircraft, watercraft, cranes, etc.); or, the term of this Agreement, including any extensions
6 thereof, exceeds five (5) years the COUNTY reserves the right to adjust the types of insurance
7 required under this Agreement and the monetary limits of liability for the insurance coverage's
8 currently required herein, if, in the County Risk Manager's reasonable judgment, the amount or
9 type of insurance carried by the SPONSOR has become inadequate.

10 6) SPONSOR shall pass down the insurance obligations contained herein to all tiers
11 of subcontractors working under this Agreement.

12 7) The insurance requirements contained in this Agreement may be met with a
13 program(s) of self-insurance acceptable to the COUNTY.

14 8) SPONSOR agrees to notify COUNTY of any claim by a third party or any
15 incident or event that may give rise to a claim arising from the performance of this Agreement.

16 16. FEDERAL REQUIREMENTS. SPONSOR shall comply with the provisions of
17 the Act and any amendments thereto and the federal regulations and guidelines now or
18 hereafter enacted pursuant to the Act. More particularly, SPONSOR is to comply with those
19 regulations found in 24 CFR 570, Part 84 and Part 85. SPONSOR is to comply with OMB
20 Circular Nos. A-110, A-87, A-122, and A-133 as applicable, as they relate to the acceptance
21 and use of federal funds under this Agreement. SPONSOR is to abide by the provisions of the
22 COUNTY's CDBG policies.

23 17. PROGRAM INCOME. SPONSOR, who is a subrecipient as defined in Section
24 570.500(c), shall not retain any program income as defined in Section 570.500 of Title 24 of the
25 Federal Code of Regulations. Any and all program income shall be retained by the COUNTY

26 18. INDEPENDENT CONTRACTOR. SPONSOR and its agents, servants and
27 employees shall act at all times in an independent capacity during the term of this Agreement,
28 and shall not act as, shall not be, nor shall they in any manner be construed to be agents,

1 officers or employees of COUNTY.

2 19. NONDISCRIMINATION. SPONSOR shall abide by §570.601 and §570.912 of
3 Title 24 of the Federal Code of Regulations, which require that no person in the United States
4 shall on the ground of race, color, religion, national origin, or sex, be excluded from
5 participation in, be denied the benefits of, or be subjected to discrimination under any program
6 or activity funded in whole or in part with CDBG funds.

7 20. PROHIBITION AGAINST CONFLICTS OF INTEREST.

8 a. SPONSOR and its assigns, employees, agents, consultants, officers and
9 elected and appointed officials shall become familiar with and shall comply with the CDBG
10 regulations prohibiting conflicts of interest contained in 24 CFR 570.611, attached hereto as
11 Exhibit "CI" and by this reference incorporated herein.

12 b. SPONSOR understands and agrees that no waiver or exception can be
13 granted to the prohibition against conflict of interest except upon written approval of HUD
14 pursuant to 24 CFR 570.611(d). Any request by SPONSOR for an exception shall first be
15 reviewed by COUNTY to determine whether such request is appropriate for submission to
16 HUD. In determining whether such request is appropriate for submission to HUD, COUNTY
17 will consider the factors listed in 24 CFR 570.611(e).

18 c. Prior to any funding under this Agreement, SPONSOR shall provide
19 COUNTY with a list of all employees, agents, consultants, officers and elected and appointed
20 officials who are in a position to participate in a decision-making process, exercise any
21 functions or responsibilities, or gain inside information with respect to the CDBG activities
22 funded under this Agreement. SPONSOR shall also promptly disclose to COUNTY any
23 potential conflict, including even the appearance of conflict, that may arise with respect to the
24 CDBG activities funded under this Agreement.

25 d. Any violation of this section shall be deemed a material breach of this
26 Agreement, and the Agreement shall be immediately terminated by the COUNTY.

27 21. RELIGIOUS ACTIVITIES. Under federal regulations, CDBG assistance may
28 not be used for inherently religious activities or provided to primarily religious entities for any

1 activities including secular activities. SPONSOR shall adhere to the restrictions set forth in 24
2 CFR 570.200(j), which is attached hereto as Exhibit "R" and by this reference is incorporated
3 herein.

4 22. LOBBYING. The SPONSOR certifies to the best of its knowledge and belief,
5 that:

6 a. No federally appropriated funds have been paid or will be paid, by or on
7 behalf of the undersigned, to any person for influencing or attempting to influence an officer or
8 employee of any agency, a member of Congress, an officer or employee of Congress, or an
9 employee of a member of Congress in connection with the awarding of any federal contract,
10 the making of any federal grant, the making of any federal loan, the entering into of any
11 cooperative agreement, and the extension, continuation, reviewal, amendment, or modification
12 of any federal contract, grant, loan, or cooperative agreement.

13 b. If any funds other than federally appropriated funds have been paid or will
14 be paid to any person for influencing or attempting to influence an officer to employee of any
15 agency, a member of Congress, an officer or employee of Congress, or an employee of a
16 member of Congress in connection with this federal contract, grant, loan, or cooperative
17 agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form
18 to Report Lobbying," in accordance with its instructions.

19 c. The undersigned shall require that the language of this certification be
20 included in the award documents for all subawards at all tiers (including subcontracts,
21 subgrants, and contracts under grants, loans, and cooperative agreements) and that all
22 subrecipients shall certify and disclose accordingly. This certification is a material
23 representation of fact upon which reliance was placed when this transaction was made or
24 entered into.

25 23. TERMINATION.

26 a. SPONSOR. SPONSOR may not terminate this Agreement except upon
27 express written consent of COUNTY.
28

1 b. COUNTY. Notwithstanding the provisions of Paragraph 23a, COUNTY
2 may suspend or terminate this Agreement upon written notice to SPONSOR of the action being
3 taken and the reason for such action:

4 (1) In the event SPONSOR fails to perform the covenants herein
5 contained at such times and in such manner as provided in this Agreement; or

6 (2) In the event there is a conflict with any federal, state or local law,
7 ordinance, regulation or rule rendering any of the provisions of this Agreement invalid or
8 untenable; or

9 (3) In the event the funding from the Department of Housing and
10 Urban Development referred to in Paragraphs 1 above is terminated or otherwise becomes
11 unavailable.

12 c. This Agreement may be terminated or funding suspended in whole or in
13 part for cause in accordance with 24 CFR 85.43. Cause shall be based on the failure of the
14 SPONSOR to materially comply with either the terms or conditions of this Agreement. Upon
15 suspension of funding, the SPONSOR agrees not to incur any costs related thereto, or
16 connected with, any area of conflict from which the COUNTY has determined that suspension
17 of funds is necessary. The award may be terminated for convenience in accordance with 24
18 CFR 85.44.

19 d. Reversion of Assets

20 1. Upon expiration of this Agreement, the SPONSOR shall transfer to
21 the COUNTY any CDBG funds on hand at the time of expiration of the Agreement as well as
22 any accounts receivable held by SPONSOR which are attributable to the use of CDBG funds
23 awarded pursuant to this Agreement.

24 2. Any real property under the SPONSOR'S control that was
25 acquired or improved in whole or in part with CDBG funds (including CDBG funds provided
26 to the SPONSOR in the form of a loan) in excess of \$25,000 is either:

27 (i) Used to meet one of the National Objectives in Sec.
28 570.208 until five years after expiration of this agreement, or for such longer period of time as

1 determined to be appropriate by the COUNTY; or

2 (ii) Not used in accordance with Section (i) above, in which
3 event the SPONSOR shall pay to the COUNTY an amount equal to the current market value of
4 the property less any portion of the value attributable to expenditures of non-CDBG funds for
5 the acquisition of, or improvement to, the property.

6 24. PUBLICITY. Any publicity generated by SPONSOR for the project funded
7 pursuant to this Agreement, during the term of this Agreement, will make reference to the
8 Contribution of the County of Riverside Community Development Block Grant Program in
9 making the project possible.

10 25. PROGRAM MONITORING AND EVALUATION. SPONSOR shall be
11 monitored and evaluated in terms of its effectiveness and timely compliance with the provisions
12 of this Agreement and the effective and efficient achievement of the Program Objectives.
13 Quarterly reports shall be due on the fifteenth (15th) day of the month immediately following the
14 end of the quarter being reported. The quarterly written reports shall include, but shall not be
15 limited to the following data elements:

16 a. Title of program, listing of components, description of
17 activities/operations.

18 b. The projected goals, indicated numerically, and also the goals achieved
19 (for each report period). In addition, identify by percentage and description, the progress
20 achieved towards meeting the specified goals; additionally, identify any problems encountered
21 in meeting goals.

22 c. If CDBG funded Activity meets National Objective under 24 CFR
23 570.208 (a)(2)(i)(B), SPONSOR shall report the following:

24 1) Total number of direct beneficiaries (clientele served) with
25 household income:

- 26 • Above 80% MHI
- 27 • Between 50% and 80% MHI (Low-Income)
- 28 • Between 30% and 50% MHI (Very Low-Income)

- Below 30% MHI (Extremely Low-Income)

- 2) Total number and percentage of all clients at of below 80% MHI
- 3) Racial ethnicity of clientele
- 4) Number of Female-Headed Households

d. SPONSOR shall report beneficiary statistics monthly, or as otherwise required, to COUNTY on the pre-approved *Direct Benefit Form* and *Self-Certification Form* (certifying income, family size, and racial ethnicity) as required by HUD. In the event that HUD or COUNTY implement changes to the reporting requirements, SPONSOR will be provided with updated forms and instructions necessary to comply with the reporting requirements of the CPD Outcome Performance Measurement System.

26. PRIOR COUNTY APPROVAL (CONSTRUCTION ACTIVITIES). SPONSOR shall obtain COUNTY's approval, through its Economic Development Agency, of the project plans, specifications, and construction documents prior to SPONSOR's construction of same for all projects consisting of CDBG-funded construction activities .

27. PRIOR COUNTY APPROVAL (AQUISITION ACTIVITIES). SPONSOR shall obtain COUNTY's approval and authorization to proceed, through its Economic Development Agency, of all CDBG-funded real property acquisition activities.

28. REAL PROPERTY ACQUIRED OR PUBLIC FACILITY CONSTRUCTED WITH CDBG FUNDS. When CDBG funds are used, in whole or in part, by SPONSOR to acquire real property or to construct a public facility, SPONSOR will comply with the National Environmental Policy Act of 1969 (42 USC SS4321, et seq.); the California Environmental Quality Act (Cal. Pub. Resources Code SS21000, et seq.); the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended; (42 USC SS4630, et seq.); California Government Code Sections 7260, et seq.; and the COUNTY's Five Year Consolidated Plan. In addition, the following is to occur:

- a. Title to the real property shall vest in SPONSOR;
- b. The real property will be held by or the constructed facility will be maintained by the SPONSOR for a minimum period of five (5) years;

1 c. While held by SPONSOR, the real property or the constructed facility is to
2 be used exclusively for the purposes for which acquisition or construction was originally
3 approved by COUNTY:

4 d. Written approval from COUNTY must be secured if the property or the
5 facility is to be put to an alternate use that is consistent with federal regulations governing
6 CDBG funds;

7 e. Should SPONSOR desire during the five-year period to use the real
8 property or the constructed facility for a purpose not consistent with applicable federal
9 regulations governing CDBG funds or to sell the real property or facility, then:

10 (1) If SPONSOR desires to retain title, it will have to reimburse either
11 COUNTY or the federal government an amount that represents the percentage of current fair
12 market value that is identical to the percentage that CDBG funds initially comprised of monies
13 paid to acquire the property or construct the facility; or

14 (2) If SPONSOR sells the property or facility or is required to sell the
15 property or facility, SPONSOR is to reimburse either the COUNTY or the federal government
16 an amount that represents the percentage of proceeds realized by the sale that is identical to the
17 percentage that CDBG funds initially comprised of monies paid to acquire the property or
18 construct the facility. This percentage amount will be calculated after deducting all actual and
19 reasonable cost of sale from the sale proceeds.

20 29. ENTIRE AGREEMENT. It is expressly agreed that this Agreement embodies the
21 entire agreement of the parties in relation to the subject matter hereof, and that no other
22 agreement or understanding, verbal or otherwise, relative to this subject matter, exists between
23 the parties at the time of execution.

24 30. SEVERABILITY. Each paragraph and provision of this Agreement is severable
25 from each other provision, and if any provision or part thereof is declared invalid, the
26 remaining provisions shall nevertheless remain in full force and effect.

27 ///

1 31. EMPLOYMENT OPPORTUNITIES TO BE CAUSED BY PROJECT.
2 SPONSOR agrees to, and will require any lessee or assignee to notify Riverside County
3 Workforce Development Center of any and all job openings that are caused by this project.

4 32. MINISTERIAL ACTS. The Assistant County Executive Officer/EDA of
5 COUNTY's Economic Development Agency or designee(s) are authorized to take such
6 ministerial actions as may be necessary or appropriate to implement the terms, provisions, and
7 conditions of this Agreement as it may be amended from time to time by COUNTY.

8 33. PROJECT ELIGIBILITY. As to SPONSOR or its claimants, COUNTY shall bear
9 no liability for any later determination by the United States Government, the Department of
10 Housing and Urban Development, or any other person or entity, that SPONSOR is or is not
11 eligible under 24 CFR Part 570 to receive CDBG funds.

12 34. SOURCE OF FUNDING. Sponsor acknowledges that the source of funding
13 pursuant to this Agreement is Community Development Block Grant (CFDA 14.218).

14 35. ASSIGNMENT. The SPONSOR will not make any assignment or transfer in any
15 other form with respect to this Agreement , without prior written approval of the COUNTY.

16 36. INTERPRETATION AND GOVERNING LAW. This Agreement and any
17 dispute arising hereunder shall be governed by and interpreted in accordance with the laws of
18 the State of California. This Agreement shall be construed as a whole according to its fair
19 language and common meaning to achieve the objectives and purposes of the parties hereto, and
20 the rule of construction to the effect that ambiguities are to be resolved against the drafting party
21 shall not be employed in interpreting this Agreement, all parties having been represented by
22 counsel in the negotiation and preparation hereof.

23 37. WAIVER. Failure by a party to insist upon the strict performance of any of the
24 provisions of this Agreement by the other party, or the failure by a party to exercise its rights
25 upon the default of the other party, shall not constitute a waiver of such party's right to insist
26 and demand strict compliance by the other party with the terms of this Agreement thereafter.

27 38. JURISDICTION AND VENUE. Any action at law or in equity arising under this
28 Agreement or brought by a party hereto for the purpose of enforcing, construing or determining

1 the validity of any provision of this Agreement shall be filed in the consolidated Courts of
2 Riverside County, State of California, and the parties hereto waive all provisions of law
3 providing for the filing, removal or change of venue to any other court or jurisdiction

4 39. AUTHORITY TO EXECUTE. The persons executing this Agreement or exhibits
5 attached hereto on behalf of the parties to this Agreement hereby warrant and represent that they
6 have the authority to execute this Agreement and warrant and represent that they have the
7 authority to bind the respective parties to this Agreement to the performance of its obligations
8 hereunder.

9 40. EFFECTIVE DATE. The effective date of this Agreement is the date the parties
10 sign the Agreement. If the parties sign the Agreement on more than one date, then the last date
11 the Agreement is signed by a party shall be the effective date.

12 41. COUNTERPARTS. This Agreement may be signed by the different parties
13 hereto in counterparts, each of which shall be an original but all of which together shall
14 constitute one and the same agreement.

15 42. BINDING ON SUCCESSORS. SUBRECIPIENT, its heirs, assigns and
16 successors in interest shall be bound by all the provisions contained in this Agreement, and all
17 of the parties thereto shall be jointly and severally liable hereunder.

18 43. MODIFICATION OF AGREEMENT. This agreement may be modified or
19 amended only by a writing signed by the duly authorized and empowered representatives of
20 COUNTY and SPONSOR, respectively.

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23 **SIGNATURES ON NEXT PAGE**
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IN WITNESS WHEREOF, the COUNTY and the SPONSOR have executed this agreement as of the date listed below.

COUNTY OF RIVERSIDE

«SPONSOR»

By: _____
Robert Field
Assistant County Executive Officer/EDA

By: _____

DATED: _____

DATED: _____

SH:JT:«PMINITIALS»:«SupportStaff»

FORM APPROVED COUNTY COUNSEL

BY: Michelle Clack DATE 0/2/10
MICHELLE CLACK DATE

EXHIBIT A

**SPONSOR'S AGREEMENT
SCOPE OF WORK
(PUBLIC SERVICE)**

I. GENERAL INFORMATION

SPONSOR NAME: «Sponsor»

ADDRESS: «Address»
«City», «State» «Zip»

PROGRAM CONTACTS: «ContactFirstName» «ContactLastName», «ContactTitle»

PHONE: «Phone» FAX: «Fax»

E-MAIL: _____

PROJECT NAME: «Project_Name»

PROJECT LOCATION: «Project_Location»

LEVEL OF ENVIRONMENTAL CLEARANCE: **EXEMPT [24 CFR 58.34 (a)(4)]**

CDBG ELIGIBILITY CODE: **24 CFR 570.201 (e) Public Services**

PROJECT FUNDING SUMMARY:

1 ST District	<u>«First_District»</u>	4 th District	<u>«Fourth_District»</u>
2 nd District	<u>«Second_District»</u>	5 th District	<u>«Fifth_District»</u>
3 rd District	<u>«Third_District»</u>	City Funding	<u>«Itemized_City_Funding»</u>

II. SCOPE OF SERVICE

A. Activities

Sponsor will be responsible for administering a **2010-2011** Community Development Block Grant for the «**Project_Name**» in a manner satisfactory to the County of Riverside and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

Activity #1 «Description_1_Final» «Description_2_Final» «Description_3_Final»

EXHIBIT A**B. National Objective**

All activities funded with CDBG funds must comply with one or more of the CDBG program's National Objective Criteria as required under 24 CFR 570.200(a)(2). Sponsor certifies that the activity (ies) carried out under this Agreement will meet the following National Objective:

National Objective Criteria: «NOjective» _____

CFR Reference: «Benefit» _____

C. Levels of Accomplishment – Goals and Performance Measures

The Sponsor agrees to provide the following levels of program services:

Activity	Units per Month	Total Units/Year	Total <i>Unduplicated Persons</i>
Activity #1	[# of Units]	[# of Units]	[# persons served]
Activity #2			

Activity #2

Unit of Service is defined as: [NOTE: CDBG Program Managers, in consultation with the Sponsor, will determine the most appropriate performance measures for this activity. – e.g., meals served, counseling session completed, children participating, clients served, neighborhood clean-up days held, etc.]

CPD OUTCOME PERFORMANCE MEASUREMENT

Objectives (select one): Creating Suitable Living Environments
 Providing Decent Affordable Housing
 Creating Economic Opportunities

Outcome (select one): Availability/Accessibility
 Affordability
 Sustainability (promoting livable or viable communities)

D. Sponsor Capacity

By executing this Sponsor's Agreement, the Sponsor certifies that it has the appropriate number of trained and knowledgeable staff, adequate facilities, proper equipment, required licensing and permitting, and sufficient amount of financial resources necessary to implement and carry out the activities funded with CDBG funds.

Sponsor will immediately notify County of any significant changes in organizational management, assigned staff, change in facilities, loss or change in matching funds, or any other event that could potentially impact Sponsor's performance under this Agreement.

Any changes in the above items are subject to the prior approval of the County.

E. Performance Monitoring

The County of Riverside Grantee will monitor the performance of the Sponsor against goals and performance standards as stated above. Substandard performance as determined by the County will constitute noncompliance

EXHIBIT A

with this Agreement. If action to correct such substandard performance is not taken by the Sponsor within a reasonable period of time after being notified by the County, contract suspension or termination procedures will be initiated.

F. Program Budget

It is expressly agreed and understood that the total amount to be paid by the County under this Agreement shall not exceed «**Total Granted Funding**». Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in this Section and in accordance with performance. Payments may be contingent upon certification of the Subrecipient’s financial management system in accordance with the standards specified in 24 CFR 84.21.

The County may require a more detailed budget breakdown than the one contained herein, and the Sponsor shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the County. Any amendments to the budget must be approved in writing by both the County and Sponsor.

Line Item	Amount	Notes
Total Direct Program Expenses Salaries Fringe Office Space (Program Only) Utilities Communications Reproduction/Printing Supplies and Materials Mileage Equipment (Program Only) Audit Transportation Other (Specify)	\$ <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
Total Indirect Program Expenses Indirect Costs (Specify)*	\$ <input type="checkbox"/>	
TOTAL CDBG BUDGET	\$	

* All indirect costs must be pre-approved by the County. Sponsor must submit an Indirect Cost Allocation Plan to County, in a form specified by County, demonstrating the appropriate share of general and administrative costs.

EXHIBIT A**G. Total Amount of Non- CDBG Leveraging**

TYPE	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	TOTAL
FEDERAL							
STATE/LOCAL							
PRIVATE							
OTHER							

TOTAL: _____**III. ADMINISTRATIVE REQUIREMENTS****A. Accounting Standards**

The Sponsor agrees to comply with 24 CFR 84 or 85 as applicable and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

B. Cost Principles

The Sponsor shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," A-21, "Cost Principles for Educational Institutions," or OMB Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

C. Documentation and Record Keeping**1. Records to be Maintained**

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- i. Records providing a full description of each activity undertaken;
- ii. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- iii. Records required to determine the eligibility of activities;
- iv. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- v. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- vi. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
- vii. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

EXHIBIT A**2. Records Retention**

The Sponsor shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of five (5) years. The retention period begins on the date of the submission of the County's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

3. Client Data

The Sponsor shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to County monitors or their designees for review upon request.

4. Disclosure

The Sponsor understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the County's or Sponsor's responsibilities with respect to services provided under this contract, is prohibited by applicable federal and State law unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Close-outs

The Sponsor's obligation to the County shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the County), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Sponsor has control over CDBG funds, including program income.

6. Audits & Inspections

All Sponsor records with respect to any matters covered by this Agreement shall be made available to the County, HUD, and the Controller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Sponsor within 30 days after receipt by the Sponsor. Failure of the Sponsor to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Sponsor hereby agrees to have an annual agency audit conducted in accordance with current County policy concerning subrecipient audits and OMB Circular A-133.

EXHIBIT A**IV. PROJECT IMPLEMENTATION AND SCHEDULE**

Unless pre-approved by County, Sponsor will perform and complete the activities described in Section II in conformance with the schedule of tasks and milestones listed below:

<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Attend Mandatory Sponsor Training	July 2010	July 2010
Implement Program Activities	July 1, 2010	TBD
Execute Sponsor's Agreement & Notice to Incur Cost	August 2010	September 2010
Sponsor Submit Quarterly Performance Reports to County		October 15, 2010 January 15, 2011 April 15, 2011 July 31, 2011
County Subrecipient Monitoring Actions	TBD	TBD
Sponsor submit Monthly Direct Benefit Reports	September 2010	July 2011
Sponsor Submits Reimbursement Requests		
Monthly Submittal <input type="checkbox"/>	September 2010	<u>May 15, 2011</u>
Other Schedule <input type="checkbox"/>	_____	_____
CDBG Program Services Complete		June 30, 2011

V. SPECIAL CONDITIONS /PERFORMANCE REQUIREMENTS

[This Section of the Agreement can be used by County to include any special conditions specific to the particular activity or Sponsor. – this may include limiting project activities to certain geographic areas, specific activities, specific costs, or specific time frames]

EXHIBIT A

SPONSOR'S AGREEMENT SCOPE OF WORK (NON-PUBLIC SERVICE)

I. GENERAL INFORMATION

SPONSOR NAME: «Sponsor» _____

ADDRESS: «Address», «City», «State» «Zip» _____

PROGRAM CONTACTS: «ContactFirstName» «ContactLastName» «ContactTitle» _____

PHONE: «Phone» _____ FAX: «Fax» _____

E-MAIL: _____

PROJECT NAME: «Project_Name» _____

PROJECT LOCATION: «Project_Location» _____

LEVEL OF ENVIRONMENTAL CLEARANCE: _____

CDBG ELIGIBILITY CODE: _____

PROJECT FUNDING SUMMARY:

1 ST District	«First_District»	4 th District	«Fourth_District»
2 nd District	«Second_District»	5 th District	«Fifth_District»
3 rd District	«Third_District»	City Funding	«Itemized_City_Funding»

II. SCOPE OF SERVICE

A. Activities

Sponsor will be responsible for administering a 2010-2011 Community Development Block Grant for the «Project_Name» in a manner satisfactory to the County of Riverside and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

Activity #1 «Description_1_Final» «Description_2_Final» «Description_3_Final»

EXHIBIT A**B. National Objective**

All activities funded with CDBG funds must comply with one of more of the CDBG program's National Objective Criteria as required under 24 CFR 570.200(a)(2). Sponsor certifies that the activity(ies) carried out under this Agreement will meet the following National Objective:

National Objective Criteria: «NObjective»

CFR Reference: «Benefit»

C. Levels of Accomplishment – Goals and Performance Measures

The Sponsor agrees to implement and complete the following activity (ies):

Activity #1

Activity #2

CPD OUTCOME PERFORMANCE MEASUREMENT

Objectives (select one):

- Creating Suitable Living Environments
- Providing Decent Affordable Housing
- Creating Economic Opportunities

Outcome (select one):

- Availability/Accessibility
- Affordability
- Sustainability (promoting livable or viable communities)

D. Sponsor Capacity

By executing this Sponsor's Agreement, the Sponsor certifies that it has the appropriate number of trained and knowledgeable staff, adequate facilities, proper equipment, required licensing and permitting, and sufficient amount of financial resources necessary to implement and carry out the activities funded with CDBG funds.

Sponsor will immediately notify County of any significant changes in organizational management, assigned staff, change in facilities, loss or change in matching funds, or any other event that could potentially impact Sponsor's performance under this Agreement.

Any changes in the above items are subject to the prior approval of the County.

EXHIBIT A

E. Performance Monitoring

The County of Riverside Grantee will monitor the performance of the Sponsor against goals and performance standards as stated above. Substandard performance as determined by the County will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Sponsor within a reasonable period of time after being notified by the County, contract suspension or termination procedures will be initiated.

F. Program Budget

It is expressly agreed and understood that the total amount to be paid by the County under this Agreement shall not exceed «**Total Granted Funding**». Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in this Section and in accordance with performance. Payments may be contingent upon certification of the Subrecipient’s financial management system in accordance with the standards specified in 24 CFR 84.21.

The County may require a more detailed budget breakdown than the one contained herein, and the Sponsor shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the County. Any amendments to the budget must be approved in writing by both the County and Sponsor.

G. Total Amount of Non- CDBG Leveraging

TYPE	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	TOTAL
FEDERAL							
STATE/LOCAL							
PRIVATE							
OTHER							

TOTAL: _____

III. ADMINISTRATIVE REQUIREMENTS

A. Accounting Standards

The Sponsor agrees to comply with 24 CFR 84 or 85 as applicable and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

EXHIBIT A**B. Cost Principles**

The Sponsor shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," A-21, "Cost Principles for Educational Institutions," or OMB Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis

C. Documentation and Record Keeping**1. Records to be Maintained**

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- i. Records providing a full description of each activity undertaken;
- ii. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- iii. Records required to determine the eligibility of activities;
- iv. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- v. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- vi. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
- vii. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Records Retention

The Sponsor shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of five (5) years. The retention period begins on the date of the submission of the County's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

3. Client Data

The Sponsor shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to County monitors or their designees for review upon request.

EXHIBIT A4. Disclosure

The Sponsor understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the County's or Sponsor's responsibilities with respect to services provided under this contract, is prohibited by applicable federal and State law unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Close-outs

The Sponsor's obligation to the County shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the County), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Sponsor has control over CDBG funds, including program income.

6. Audits & Inspections

All Sponsor records with respect to any matters covered by this Agreement shall be made available to the County, HUD, and the Controller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Sponsor within 30 days after receipt by the Sponsor. Failure of the Sponsor to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Sponsor hereby agrees to have an annual agency audit conducted in accordance with current County policy concerning subrecipient audits and OMB Circular A-133.

EXHIBIT A**IV. PROJECT IMPLEMENTATION AND SCHEDULE**

Unless pre-approved by County, Sponsor will perform and complete the activities described in Section II in conformance with the schedule of tasks and milestones listed below:

<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Attend Mandatory Sponsor Training	July 2010	July 2010

Implement Project Activities	Upon Notification from EDA	
------------------------------	----------------------------	--

Execute Sponsor's Agreement & Notice to Incur Cost	August 2010	September 2010
--	-------------	----------------

<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Sponsor Submit Quarterly Performance Reports to County		October 15, 2010 January 15, 2011 April 15, 2011 July 31, 2011

County Subrecipient Monitoring Actions	To be determined by Program Manager	
--	-------------------------------------	--

Specific Project Activities	To be determined by Program Manager	
-----------------------------	-------------------------------------	--

Sponsor Submits Reimbursement Requests

Monthly Submittal

Other Schedule

CDBG-funded Project Complete

TBD

Sponsor Submits Monthly Direct Benefit Reports

Upon Notification by EDA

V. SPECIAL CONDITIONS /PERFORMANCE REQUIREMENTS

[This Section of the Agreement can be used by County to include any special conditions specific to the particular activity or Sponsor. – this may include limiting project activities to certain geographic areas, specific activities, specific costs, or specific time frames]

EXHIBIT CI

Prohibition Against Conflicts of Interest

Page 1 of 4

§ 570.611 Conflict of interest.

(a) Applicability.

(1) In the procurement of supplies, equipment, construction, and services by recipients, and by subrecipients (including those specified at § 570.204(c)), the conflict of interest provisions in 24 CFR 85.36 and OMB Circular A 110, respectively, shall apply.

(2) In all cases not governed by 24 CFR 85.36 and OMB Circular A-110, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient, by its subrecipients, or to individuals, businesses and other private entities under eligible activities which authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities pursuant to § 570.202, or grants, loans and other assistance to businesses, individuals and other private entities pursuant to § 570-203, § 570.204 or § 570.455).

(b) Conflicts prohibited. Except for the use of CDBG funds to pay salaries and other related administrative or personnel costs, the general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from a CDBG assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. For the UDAG program, the above restrictions shall apply to all activities that are a part of the UDAG project, and shall cover any such interest or benefit during, or at any time after, such person's tenure.

(c) Persons covered. The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or subrecipients which are receiving funds under this part.

(d) Exceptions: threshold requirements. Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it determines that such an exception will serve to further the purposes of the Act 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:

EXHIBIT CI

Prohibition Against Conflicts of Interest
Page 2 of 4

(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.

(e) Factors to be considered for exceptions. In determining whether to grant a requested exception after the recipient has satisfactorily met the requirements of paragraph (d) of this section, HUD shall 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 which would otherwise not be available;

(2) Whether an opportunity was provided for open competitive bidding or negotiation;

(3) Whether the person affected is a member of a group or class of low or moderate income persons intended to be the beneficiaries of the assisted activity, 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;

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

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

(6) 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

(7) Any other relevant considerations.

Exhibit CI

Prohibition Against Conflicts of Interest
Page 3 of 4

Community Development Block Grant
Policy Manual
I.D. # A-11
(pg. 1 of 2)

TOPIC: CONFLICT OF INTEREST CODED
RIVERSIDE COUNTY
ECONOMIC DEVELOPMENT AGENCY

DATE: October 1989

This Conflict of Interest Code is written to comply with Federal Regulations (24 CFR Part 85). These Regulations, "Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments" require that grantees and sub-grantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts.

1) No employee, officer or agent of the grantee shall participate in the selection, in the award or in the administration of a contract supported by Federal Funds if a conflict of interest, real or apparent, would be involved.

2) Such a conflict will arise when:

- i) The employee, officer or agent;
- ii) Any member of the immediate family;
- iii) His/Her partners, or;
- iv) An organization which employs, or is about to employ any of the above has a financial or other interest in the firm's selection for award.

3) The grantee's or sub-grantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors or parties to sub-agreements except as noted in Section 4.

4) A grantee's or sub-grantee's officers, employees or agents will be presumed to have a financial interest in a business if their financial interest exceeds the following:

- i) Any business entity in which the official has a direct or indirect investment worth one thousand dollars (\$1,000) or more.
- ii) Any real property in which the official has a direct or indirect interest worth one thousand dollars (\$1,000) or more.

EXHIBIT CI

Prohibition Against Conflicts of Interest

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Community Development Block Grant
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TOPIC: CONFLICT OF INTEREST CODE
RIVERSIDE COUNTY
ECONOMIC DEVELOPMENT AGENCY

DATE: October 1989

- iii) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating two hundred fifty dollars (\$250) or more in value provided to, received by or promised to the official within 12 months prior to the time when the decision is made.
 - iv) Any business entity in which the official is a director, officer, partner, trustee, employee, or holds any position of management.
 - v) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating two hundred fifty dollars (\$250) or more in value provided to, received by, or promised to the official within 12 months prior to the time when the decision is made.
- 5) For purposes of Section 4, indirect investment or interest means any investment or interest owned by the spouse or dependent child of an official, by an agent on behalf of an official, or by a business entity or trust in which the official, the official's agents, spouse, and dependent children own directly, indirectly, or beneficially a 10-percent interest or more.

EXHIBIT "R"

CONSTITUTIONAL PROHIBITION

Page 1 of 2

In accordance with First Amendment Church/State Principles, as a general rule, CDBG/ESG assistance may not be used for religious activities or provided to primarily religious entities for any activities, including secular activities. The following restrictions and limitations therefore apply to the use of CDBG/ESG funds.

(1) CDBG/ESG funds may not be used for the acquisition of property or the construction or rehabilitation (including historic preservation and removal of architectural barriers) of structures to be used for religious purposes or which will otherwise promote religious interests. This limitation includes the acquisition of property for ownership by primarily religious entities and the construction or rehabilitation (including historic preservation and removal of architectural barriers) of structures owned by such entities (except as permitted under paragraph (j) (2) of this section with respect to rehabilitation and under paragraph (j) (4) of this section with respect to repairs undertaken in connection with public services) regardless of the use to be made of the property or structure. Property owned by primarily religious entities may be acquired with CDBG/ESG funds at no more than fair market value for a non-religious use.

(2) CDBG/ESG funds may be used to rehabilitate buildings owned by primarily religious entities to be used for a wholly secular purpose under the following conditions:

(i) The building (or portion thereof) that is to be improved with the CDBG/ESG assistance has been leased to an existing or newly-established wholly secular entity (which may be an entity established by the religious entity);

(ii) The CDBG/ESG assistance is provided to the lessee (and not the lessor) to make the improvements;

(iii) The leased premises will be used exclusively for secular purposes available to persons regardless of religion;

(iv) The lease payments do not exceed the fair market rent of the premises as they were before the improvements are made;

(v) The portion of the cost of any improvements that also serve a non-leased part of the building will be allocated to and paid for by the lessor;

(vi) The lessor enters into a binding agreement that unless the lessee, or a qualified successor lessee, retains the use of the leased premises for a wholly secular purpose for at least the useful life of the improvements, the lessor will pay to the lessee an amount equal to the residual value of the improvements;

EXHIBIT "R"

CONSTITUTIONAL PROHIBITION

Page 2 of 2

(vii) The lessee must remit the amount received from the lessor under subparagraph (2)(vi) of this section to the recipient or subrecipient from which the CDBG/ESG funds were derived.

The lessee can also enter into a management contract authorizing the lessor religious entity to use the building for its intended secular purpose, e.g., homeless shelter, provision of public services. In such case,

the religious entity must agree in the management contract to carry out the secular purpose in a manner free from religious influences in accordance with the principles set forth in paragraph (j)(3) of this section.

(3) As a general rule, CDBG/ESG funds may be used for eligible public services to be provided through a primarily religious entity, where the religious entity enters into an agreement with the recipient or subrecipient from which the CDBG/ESG funds are derived that, in connection with the provision of such services:

(i) It will not discriminate against any employee or applicant for employment on the basis of religion and will not limit employment or give preference in employment to persons on the basis of religion.

(ii) It will not discriminate against any person applying for such public services on the basis of religion and will not limit such services or give preference to persons on the basis of religion;

(iii) It will provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing, and exert no other religious influence in the provision of such public services;

(iv) The portion of a facility used to provide the public services shall contain no religious symbols or decorations, other than those permanently affixed to or part of the structure.

(4) Where the public services provided under paragraph (j)(3) of this section are carried out on property owned by the primarily religious entity, CDBG/ESG funds may also be used for minor repairs to such property which are directly related to carrying out the public services where the cost constitutes in dollar terms only an incidental portion of the CDBG/ESG expenditure for the public services.

EXHIBIT "S"

Page 1 of 2

Economic Opportunities for Section 3 Residents and Section 3 Business Concerns

Sec. 135.38 Section 3 clause.

All section 3 covered contracts shall include the following clause (referred to as the section 3 clause):

A. 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). 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 greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

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 or 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, the 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.

EXHIBIT "S"

Page 2 of 2

D. The contractor agrees to include this 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 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, termination 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 shall be given to Indians, 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).

**SUPPLEMENTAL AGREEMENT FOR THE USE OF
2010-2011 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

The COUNTY OF RIVERSIDE of the State of California, herein called, "COUNTY," and the CITY OF «CITY», herein called "CITY," mutually agree as follows:

1. GENERAL. COUNTY and CITY have executed a Cooperation Agreement, dated July 2008, whereby CITY elected to participate with COUNTY, which has qualified as an "Urban County" for purposes of receiving Community Development Block Grant (CDBG) funds, and to assist and undertake essential community development and housing assistance activities pursuant to the Housing and Community Development Act of 1974, Title 1, as amended, Public Law 93-383 hereinafter referred to as "Act". Said Cooperation Agreement, dated July 2008, is incorporated herein by reference and made a part of this Agreement as if each and every provision was set forth herein.

2. PURPOSE. CITY promises and agrees to undertake and assist with the community development activities, within its jurisdiction, by utilizing the sum of «Proposal_Number», CDBG Entitlement Funds, as specifically identified in Exhibits A, B, C, D, E, F, G, H and I are attached hereto and by this reference are incorporated herein, for the projects:

- «Project Number» «Project Name», «Total Granted Funding».
- «Next Record»«Project Number» «Project Name», «Total Granted Funding».
- «Next Record»«Project Number» «Project Name», «Total Granted Funding».
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3 «Next Record»«Project Number» «Project Name», «Total Granted Funding».

4 «Next Record»«Project Number» «Project Name», «Total Granted Funding».

5 «Next Record»«Project Number» «Project Name», «Total Granted Funding».

6 «Next Record»«Project Number» «Project Name», «Total Granted Funding».

7 «Next Record»«Project Number» «Project Name», «Total Granted Funding».

8 3. TERM OF AGREEMENT. The term of this Agreement for the projects shall
9 be for a period of one (1) year from July 1, 2010 to June 30, 2011, and proceed consistent with
10 the completion schedule set forth in Exhibits A, B, C, D, E, F, G, H and I. In the event that the
11 projects are not substantially completed by the time set forth in the completion schedule due to
12 unforeseen or uncontrollable causes, the COUNTY may consider extending the schedule for the
13 completion of the project. Times of performance for other activities may also be extended in
14 writing by COUNTY. If substantial progress toward completion in conformance with the
15 completion schedule, as determined by COUNTY, of the projects are not made during the term
16 of the Supplemental Agreement, COUNTY may suspend or terminate this agreement by the
17 procedures set forth in the Section titled "Termination", of this agreement and the entitlement
18 funds associated with the projects may be reprogrammed by COUNTY after appropriate notice
19 is given.

20 4. DISPOSITION OF FUNDS.

21 A. COUNTY's Board of Supervisors shall determine the final disposition and
22 distribution of all funds received by COUNTY under the Act consistent with the provisions of
23 Paragraphs 2 and 3 of this Agreement. COUNTY, through its Economic Development Agency,
24 shall: (1) Make payment of the grant funds to CITY as designated in Exhibits A, B, C, D, E, F,
25 G, H and I; and (2) It is the CITY's responsibility to monitor all project activities of Exhibits A,
26 B, C, D, E, F, G, H and I to ensure compliance with applicable federal regulations and the terms
27 of this Agreement.
28

1 B. CITY shall comply with timely drawdown of CDBG funds by
2 expeditiously implementing and completing County-approved, CDBG-funded projects. CITY
3 acknowledges that CITY's drawdown performance directly impacts the COUNTY's overall
4 program drawdown rate. If the CITY's unobligated CDBG fund balance, as of January 15, 2011,
5 exceeds two-times (200%) the CITY's 2010-2011 CDBG allocation, the COUNTY may take the
6 necessary administrative actions to reduce the CITY's CDBG fund balance. Necessary actions
7 include reprogramming the excess CDBG fund balance to other eligible activities as selected by
8 COUNTY. COUNTY may authorize CITY in writing, prior to January 15, 2011, to exceed the
9 CDBG fund balance requirement.

10 C. CITY shall comply with timely drawdown of funds by submitting monthly
11 requests for reimbursement or other County-approved reimbursement schedule. All
12 disbursements of grant funds will be on a reimbursement basis and made within thirty (30) days
13 after the CITY has submitted its letter identifying payments and documentation supporting
14 expenditures.

15 D. All authorized obligations incurred in the performance of the Agreement
16 for projects eligible under the following regulations must be reported to COUNTY no later than
17 by June 15, 2011:

- 18 1. Public Services [24 CFR 570.201 (e)]
- 19 2. Acquisition [24 CFR 570.201 (a)]
- 20 3. Clearance Activities [24 CFR 570.201 (d)]
- 21 4. Interim Assistance [24 CFR 570.201 (f)]
- 22 5. Code Enforcement [24 CFR 570.202 (c)]

23 All other eligible activities under this Agreement must be implemented, completed, and
24 obligations reported by the CITY no later than the completion schedules set forth in the Exhibits
25 to this Agreement.

26 [OPTIONAL TEXT] The COUNTY will directly manage and monitor projects identified
27 in Exhibits A, B, C, D, E, F, G, H and I. These projects have been determined to be of
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1 Countywide benefit, receiving grant funding from multiple sources; therefore, these projects will
2 be managed and monitored by the COUNTY.

3 5. COOPERATION WITH HOUSING ACTIVITIES. CITY shall cooperate with
4 COUNTY in undertaking essential community development and housing assistance activities,
5 specifically urban renewal and public assistance housing, and shall assist COUNTY in carrying
6 out its Strategic Plan of the Consolidated Plan and other requirements of the Community
7 Development Block Grant Program.

8 6. LEAD AGENCY FOR COMPLIANCE WITH THE CALIFORNIA
9 ENVIRONMENTAL QUALITY ACT (CEQA). Pursuant to Section 15051(d) of Title 14 of the
10 California Administrative Code, CITY is designated as the lead agency for the projects that are
11 the subject matter of this Agreement.

12 7. HOLD HARMLESS AND INDEMNIFICATION. In contemplation of the
13 provisions of Section 895.2 of the California Government Code imposing certain tort liability
14 jointly upon public entities solely by reason of such entities being parties to an agreement as
15 defined by Section 895 of the Code, the Parties hereto, pursuant to the authorization contained in
16 Section 895.4 and 895.6 of the Code, agree that each Party shall be liable for any damages
17 including, but not limited to, claims, demands, losses, liabilities, costs and expenses including
18 reasonable attorneys fees, resulting from the negligent or wrongful acts or omissions of their
19 employees or agents in the performance of this Agreement, and each Party shall indemnify,
20 defend and hold harmless the other Parties from such claims, demands, damages, losses or
21 liabilities for their negligence

22 8. INSURANCE. Without limiting or diminishing the CITY'S obligation to
23 indemnify or hold the COUNTY harmless, CITY shall procure and maintain or cause to be
24 maintained, at its sole cost and expense, the following insurance coverage's during the term of
25 this Agreement.

26 A. Workers' Compensation:

27 If the CITY has employees as defined by the State of California, the CITY shall maintain
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1 statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State
2 of California. Policy shall include Employers' Liability (Coverage B) including Occupational
3 Disease with limits not less than \$1,000,000 per person per accident. The policy shall be
4 endorsed to waive subrogation in favor of The County of Riverside, and, if applicable, to provide
5 a Borrowed Servant/Alternate Employer Endorsement.

6 B. Commercial General Liability:

7 Commercial General Liability insurance coverage, including but not limited to, premises
8 liability, contractual liability, products and completed operations liability, personal and
9 advertising injury, and cross liability coverage, covering claims which may arise from or out of
10 CITY 'S performance of its obligations hereunder. Policy shall name the County of Riverside, its
11 Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board
12 of Supervisors, employees, elected or appointed officials, agents or representatives as Additional
13 Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined
14 single limit. If such insurance contains a general aggregate limit, it shall apply separately to this
15 agreement or be no less than two (2) times the occurrence limit.

16 C. Vehicle Liability:

17 If vehicles or mobile equipment are used in the performance of the obligations under this
18 Agreement, then CITY shall maintain liability insurance for all owned, non-owned or hired
19 vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If
20 such insurance contains a general aggregate limit, it shall apply separately to this agreement or
21 be no less than two (2) times the occurrence limit. Policy shall name the County of Riverside, its
22 Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board
23 of Supervisors, employees, elected or appointed officials, agents or representatives as Additional
24 Insureds.
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1 D. General Insurance Provisions - All lines:

2 1) Any insurance carrier providing insurance coverage hereunder
3 shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII
4 (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the
5 County's Risk Manager waives a requirement for a particular insurer such waiver is only valid
6 for that specific insurer and only for one policy term.

7 2) The CITY'S insurance carrier(s) must declare its insurance self-
8 insured retentions. If such self-insured retentions exceed \$500,000 per occurrence such
9 retentions shall have the prior written consent of the County Risk Manager before the
10 commencement of operations under this Agreement. Upon notification of self insured retention
11 unacceptable to the COUNTY, and at the election of the Country's Risk Manager, CITY 'S
12 carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement
13 with the COUNTY, or 2) procure a bond which guarantees payment of losses and related
14 investigations, claims administration, and defense costs and expenses.

15 3) CITY shall cause CITY'S insurance carrier(s) to furnish the
16 County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and
17 certified original copies of Endorsements effecting coverage as required herein, and 2) if
18 requested to do so orally or in writing by the County Risk Manager, provide original Certified
19 copies of policies including all Endorsements and all attachments thereto, showing such
20 insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall
21 contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given
22 to the County of Riverside prior to any material modification, cancellation, expiration or
23 reduction in coverage of such insurance. In the event of a material modification, cancellation,
24 expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County
25 of Riverside receives, prior to such effective date, another properly executed original Certificate
26 of Insurance and original copies of endorsements or certified original policies, including all
27 endorsements and attachments thereto evidencing coverage's set forth herein and the insurance
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1 required herein is in full force and effect. *CITY shall not commence operations until the*
2 *COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of*
3 *endorsements and if requested, certified original policies of insurance including all*
4 *endorsements and any and all other attachments as required in this Section.* An individual
5 authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for
6 each policy and the Certificate of Insurance.

7 4) It is understood and agreed to by the parties hereto that the CITY'S
8 insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or
9 deductibles and/or self-insured retention's or self-insured programs shall not be construed as
10 contributory.

11 5) If, during the term of this Agreement or any extension thereof,
12 there is a material change in the scope of services; or, there is a material change in the equipment
13 to be used in the performance of the scope of work which will add additional exposures (such as
14 the use of aircraft, watercraft, cranes, etc.); or, the term of this Agreement, including any
15 extensions thereof, exceeds five (5) years the COUNTY reserves the right to adjust the types of
16 insurance required under this Agreement and the monetary limits of liability for the insurance
17 coverage's currently required herein, if, in the County Risk Manager's reasonable judgment, the
18 amount or type of insurance carried by the CITY has become inadequate.

19 6) CITY shall pass down the insurance obligations contained herein
20 to all tiers of subcontractors working under this Agreement.

21 7) The insurance requirements contained in this Agreement may be
22 met with a program(s) of self-insurance acceptable to the COUNTY.

23 8) CITY agrees to notify COUNTY of any claim by a third party or
24 any incident or event that may give rise to a claim arising from the performance of this
25 Agreement.

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1 9. RECORDS AND INSPECTIONS.

2 A. CITY shall establish and maintain records in accordance with 24 CFR Part
3 570, Part 85, OMB Circular A-87, and 24 CFR 91.105, as applicable, and as they relate to the
4 acceptance and use of federal funds under this Agreement.

5 B. CITY shall maintain a separate account for CDBG Entitlement funds
6 received as set forth in Exhibits (A, B, C, D, E, F, G, H and I).

7 C. CITY shall, during the normal business hours, make available to
8 COUNTY, the U.S. Department of Housing and Urban Development (HUD), or other authorized
9 representative, for the examination and copying, all of its records and other materials with
10 respect to matters covered by this Agreement.

11 D. CITY shall not retain any program income as defined in Section 570.500
12 of Title 24 of the Federal Code of Regulations. Said program income shall be used only for the
13 activities that are the subject of this Agreement. Further, all provisions of this Agreement shall
14 apply to such activities.

15 E. The CITY shall ensure that at least fifty-one percent (51%) of the persons
16 benefiting from all CDBG-funded activities or projects designated as serving limited clientele
17 [570.208(a)(2)(i)] are of low and moderate-income and meet the program income guidelines
18 attached as Exhibits (A, B, C, D, E, F, G, H and I). The CITY and City's Sub-recipients must
19 provide the required income certification and direct benefit documentation.

20 10. COMPLIANCE WITH LAWS. CITY shall comply with all applicable federal,
21 state, and local laws, regulations, and ordinances and any amendments thereto and the federal
22 regulations and guidelines now or hereafter enacted pursuant to the Act. More particularly, CITY
23 is to comply with those regulations found in Part 85 and Part 570 of Title 24 of the Code of
24 Federal Regulations. CITY is to comply with OMB Circular A-87, or any subsequent
25 replacement. CITY is to abide by the provisions of the Community Development Block Grant
26 Manual, prepared by COUNTY and cited in the above-mentioned Cooperation Agreement.
27 CITY will comply with Section 3 of the Housing & Urban Development Act of 1968, as
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1 amended, attached hereto as Exhibit "S". CITY will comply with the provisions of 24 CFR Part
2 570.200 (j), attached as Exhibit "R," pertaining to inherently religious activities.

3 11. INDEPENDENT CONTRACTOR. CITY and its agents, servants, and employees
4 shall act at all times in an independent capacity during the term of this Agreement, and shall not
5 act as, shall not be, nor shall they in any manner be construed to be agents, officers, or
6 employees of the COUNTY.

7 12. TERMINATION.

8 A. CITY. CITY may not terminate this Agreement except upon express
9 written consent of COUNTY.

10 B. COUNTY. Notwithstanding the provisions of Paragraph 12a, COUNTY
11 may suspend or terminate this Agreement upon a thirty (30) day written notice to CITY of action
12 being taken and the reason for such action:

13 (1) In the event CITY fails to perform the covenants herein contained
14 at such times and in such manner as provided in this Agreement; and

15 (2) In the event there is a conflict with any federal, state or local law,
16 ordinance, regulation or rule rendering any of the provisions of this Agreement invalid or
17 untenable; or

18 (3) In the event the funding from the Department of Housing and
19 Urban Development referred to in Paragraphs 1 and 2 above is terminated or otherwise becomes
20 unavailable.

21 C. Upon suspension of this Agreement, CITY agrees to return any
22 unencumbered funds which it has been provided by COUNTY. In accepting said funds,
23 COUNTY does not waive any claim or cause of action it may have against CITY for breach of
24 this Agreement.

25 D. Reversion of Assets

26 1. Upon expiration of this Agreement, the CITY shall transfer to the
27 COUNTY any CDBG funds on hand at the time of expiration of the Agreement as well as any
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1 accounts receivable held by CITY which are attributable to the use of CDBG funds awarded
2 pursuant to this Agreement.

3 2. Any real property under the CITY'S control that was acquired or
4 improved in whole or in part with CDBG funds (including CDBG funds provided to the
5 SPONSOR in the form of a loan) in excess of \$25,000 is either:

6 (i) Used to meet one of the National Objectives in Sec.
7 570.208 until five years after expiration of this agreement, or for such longer period of time as
8 determined to be appropriate by the COUNTY; or

9 (ii) Not used in accordance with Section (i) above, in which
10 event the SPONSOR shall pay to the COUNTY an amount equal to the current market value of
11 the property less any portion of the value attributable to expenditures of non-CDBG funds for the
12 acquisition of, or improvement to, the property.

13 13. NONDISCRIMINATION. CITY shall abide by Sections 570.601 and 570.602 of
14 Title 24 of the Federal Code of Regulations which requires that no person in the United States
15 shall on the grounds of race, color, national origin, or sex, be excluded from participation in, be
16 denied the benefits of, or be subjected to discrimination under any program or activity funded in
17 whole or in part with Community Development funds.

18 14. PROHIBITION AGAINST CONFLICTS OF INTEREST

19 A. CITY and its assigns, employees, agents, consultants, officers and elected
20 and appointed officials shall become familiar with and shall comply with the CDBG regulations
21 prohibiting conflicts of interest contained in 24 CFR 570.611, attached hereto as Exhibit "CI"
22 and by this reference incorporated herein.

23 B. CITY and its assigns, employees, agents, consultants, officers, and elected
24 and appointed officials shall become familiar with and shall comply with Section A-11 of the
25 County's CDBG Policy manual, attached hereto as Exhibit "CI" and by this reference
26 incorporated herein.

27 C. CITY understands and agrees that no waiver of exception can be granted
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1 to the prohibition against conflict of interest except upon written approval of HUD pursuant to
2 24 CFR 570.611 (d). Any request by CITY for an exception shall first be reviewed by COUNTY
3 to determine whether such request is appropriate for submission to HUD. In determining whether
4 such request is appropriate for submission to HUD, COUNTY will consider the factors listed in
5 24 CFR 570.611 (e).

6 D. Prior to any funding under this Agreement, CITY shall provide COUNTY
7 with a list of all employees, agents, consultants, officers and elected and appointed officials who
8 are in a position to participate in a decision making process, exercise any functions or
9 responsibilities, or gain inside information with respect to the CDBG activities funded under this
10 Agreement. CITY shall also promptly disclose to COUNTY any potential conflict, including
11 even the appearance of conflict that may arise with respect to the CDBG activities funded under
12 this Agreement.

13 E. Any violation of this section shall be deemed a material breach of this
14 Agreement, and the Agreement shall be immediately terminated by the COUNTY.

15 15. PROJECT ELIGIBILITY. As to CITY or its claimants, COUNTY shall bear no
16 liability for any later determination by the United States Government, the Department of
17 Housing and Urban Development or any other person or entity that CITY is or is not eligible
18 under 24 CFR Part 570 to receive CDBG funds.

19 16. USE OF PROPERTY. Whenever federal CDBG funds or program income are
20 used, in whole or in part, for the purchase of equipment or personal property, the property shall
21 not be transferred from its originally funded use, by CITY or sub-recipient, for a period of five
22 (5) years from the close-out date of the grant from which CDBG assistance was provided. The
23 CITY shall maintain a current inventory for COUNTY monitoring and review.

24 17. EMPLOYMENT OPPORTUNITIES TO BE CAUSED BY PROJECT. CITY
25 agrees to notify and to require any lessee or assignee to notify Riverside County Workforce
26 Development Center of any and all job openings that are caused by this project.

27 18. PUBLICITY. Any publicity generated by CITY for the project funded pursuant to
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1 this Agreement, during the term of this Agreement, will make reference to the Contribution of
2 the County of Riverside, the Economic Development Agency, and the Community Development
3 Block Grant Program in making the project possible.

4 19. PROGRAM MONITORING AND EVALUATION. CITY and its sub-recipients
5 shall be monitored and evaluated in terms of its effectiveness and timely compliance with the
6 provisions of this Agreement and the effective and efficient achievement of the Program
7 Objectives. Quarterly reports shall be due on the last day of the month immediately following the
8 end of the quarter being reported. The quarterly written reports shall include, but shall not be
9 limited to, the following data elements:

10 A. Title of program, listing of components, description of
11 activities/operations.

12 B. The projected goals, indicated numerically, and also the goals achieved
13 (for each report period). In addition, identify by percentage and description, the progress
14 achieved towards meeting the specified goals and identify any problems encountered in meeting
15 goals.

16 C. If the CDBG-funded Activity meets a National Objective under 24 CFR
17 570.208 (a)(2)(i), CITY will report the following:

18 1) Total number of direct beneficiaries (clientele served) with
19 household incomes at:

- 20 • Above 80% MHI
- 21 • Between 50% and 80% MHI (Low-Income)
- 22 • Between 30% and 50% MHI (Very Low-Income)
- 23 • Less than 30% MHI (Extremely Low-Income)

24 2) Total number and percent (%) of the clientele served that have
25 household incomes at or below 80% MHI

26 3) Racial ethnicity of clientele

27 4) Number of Female-Headed Households

28

1 D. CITY and its sub-recipients shall report beneficiary statistics monthly to
2 EDA on the pre-approved *Direct Benefit Form* and *Self-Certification Form* (certifying income,
3 family size, and racial ethnicity) as required by HUD. Updated forms are to be provided to CITY
4 by EDA should HUD implement changes during the term of this agreement. CITY and sub-
5 recipients will collect and provide all necessary data required by HUD pertaining to the Specific
6 Outcome Indicators as identified in the CPD Outcome Performance Measurement System.

7 20. SOURCE OF FUNDING. CITY acknowledges that the source of funding
8 pursuant to this Agreement is Community Development Block Grant (CFDA 14.218).

9 21. ENTIRE AGREEMENT. It is expressly agreed that this Agreement together with
10 the cooperation Agreement between the parties, embodies the entire agreement of the parties in
11 relation to the subject matter thereof, and that no other Agreement or understanding, verbal or
12 otherwise, relative to this subject matter, exists between the parties at the time of execution.

13 22. MINISTERIAL ACTS. The Assistant County Executive Officer/EDA or
14 designee(s) are authorized to take such ministerial actions as may be necessary or appropriate to
15 implement the terms, provisions, and conditions of this Agreement as it may be amended from
16 time to time by COUNTY.

17 23. PRIOR AUTHORIZATION. CITY shall obtain COUNTY's written approval
18 from the Economic Development Agency prior to implementing the following "high risk"
19 activities funded with CDBG assistance:

- 20 A. Construction of public facilities (project plans and specifications);
- 21 B. Acquisition of real property;
- 22 C. Historic Preservation;
- 23 D. Relocation; and
- 24 F. Economic Development

25 23. MODIFICATION OF AGREEMENT. This Agreement may be modified or
26 amended only by a writing signed by the duly authorized and empowered representative of
27 COUNTY and CITY respectively.
28

1 IN WITNESS WHEREOF, the COUNTY and the CITY have executed this Agreement as
2 of the date listed below.

3
4 DATED: _____

5
6 COUNTY OF RIVERSIDE

7
8 By: _____
9 Robert Field
10 Assistant County Executive Officer/EDA

11
12 CITY OF «CITY»

13
14 By: _____
15 Mayor

16
17
18
19
20
21 FORM APPROVED COUNTY COUNSEL

22 BY: Michelle Clack (6/21/10)
MICHELLE CLACK DATE

23
24 SH:JT:mmv
25
26
27
28

**SUPPLEMENTAL AGREEMENT
SCOPE OF WORK
(PUBLIC SERVICE)**

I. GENERAL INFORMATION

CITY NAME: «Sponsor» _____

ADDRESS: «Address» _____
«City», «State» «Zip» _____

CITY PROGRAM CONTACTS: «ContactFirstName» «ContactLastName», «ContactTitle» _____

SUBRECIPIENT NAME: «Sponsor» _____

ADDRESS: «Address», «City», «State» «Zip» _____

PROGRAM CONTACT: «ContactFirstName» «ContactLastName», «ContactTitle» _____

PHONE: «Phone» _____ FAX : «Fax» _____

E-MAIL: _____

PROJECT NAME: «Project Name» _____

PROJECT LOCATION: «Project Location» _____

LEVEL OF ENVIRONMENTAL CLEARANCE: **EXEMPT [24 CFR 58.34 (a)(4)]**

CDBG ELIGIBILITY CODE: **24 CFR 570.201 (e) Public Services**

PROJECT FUNDING SUMMARY: _____

1 ST District	«First_District»	4 th District	«Fourth_District»
2 nd District	«Second_District»	5 th District	«Fifth_District»
3 rd District	«Third_District»	City Funding	«City_Funding»

Project to be administered by County (EDA) on behalf of CITY: YES NO

II. SCOPE OF SERVICE

A. Activities

City will be responsible for administering a 2010-2011 Community Development Block Grant for the «Project_Name» in a manner satisfactory to the County of Riverside and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

Activity #1 «Description_1_Final» «Description_2_Final» «Description_3_Final»

B. National Objective

All activities funded with CDBG funds must comply with one of more of the CDBG program’s National Objective Criteria as required under 24 CFR 570.200(a)(2). CITY certifies that the activity (ies) carried out under this Agreement will meet the following National Objective:

National Objective Criteria: «NObjective»

CFR Reference: «Benefit»

C. Levels of Accomplishment – Goals and Performance Measures

The City agrees to provide the following levels of program services:

Activity	<u>Units per Month</u>	<u>Total Units/Year</u>	<u>Total Unduplicated Persons</u>
Activity #1	<i>[# of Units]</i>	<i>[# of Units]</i>	<i>[# persons served]</i>
Activity #2			

Unit of Service is defined as: [NOTE: CDBG Program Managers, in consultation with the CITY, will determine the most appropriate performance measures for this activity. – e.g., meals served, counseling session completed, children participating, clients served, neighborhood clean-up days held, etc.]

CPD OUTCOME PERFORMANCE MEASUREMENT

- Objectives (select one):**
- Creating Suitable Living Environments
 - Providing Decent Affordable Housing
 - Creating Economic Opportunities

- Outcome (select one):**
- Availability/Accessibility
 - Affordability
 - Sustainability (promoting livable or viable communities)

D. City Capacity

By executing this Supplemental Agreement, the City certifies that it and its subrecipients have the appropriate number of trained and knowledgeable staff, adequate facilities, proper equipment, required licensing and permitting, and sufficient amount of financial resources necessary to implement and carry out the activities funded with CDBG funds.

City will immediately notify County of any significant changes in organizational management, assigned staff, change in facilities, loss or change in matching funds, or any other event that could potentially impact City’s performance under this Agreement. Any changes in the above items are subject to the prior approval of the County.

E. Performance Monitoring

The County of Riverside will monitor the performance of the City and its subrecipients against goals and performance standards as stated above. Substandard performance as determined by the County will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the City within a reasonable period of time after being notified by the County, contract suspension or termination procedures will be initiated.

F. Program Budget

It is expressly agreed and understood that the total amount to be paid by the County under this Agreement shall not exceed «**Total Granted Funding**». Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in this Section and in accordance with performance. Payments may be contingent upon certification of the Subrecipient's financial management system in accordance with the standards specified in 24 CFR 84.21.

The County may require a more detailed budget breakdown than the one contained herein, and the City shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the County. Any amendments to the budget must be approved in writing by both the County and City.

Line Item	Amount	Notes
Total Direct Program Expenses Salaries Fringe Office Space (Program Only) Utilities Communications Reproduction/Printing Supplies and Materials Mileage Equipment (Program Only) Audit Transportation Other (Specify)	\$ <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
Total Indirect Program Expenses Indirect Costs (Specify)*	\$ <input type="checkbox"/>	
TOTAL CDBG BUDGET	\$	

* All indirect costs must be pre-approved by the County. City must submit an Indirect Cost Allocation Plan to County, in a form specified by County, demonstrating the appropriate share of general and administrative costs.

G. Total Amount of Non- CDBG Leveraging

TYPE	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	TOTAL
FEDERAL							
STATE/LOCAL							
PRIVATE							
OTHER							

TOTAL: _____

III. ADMINISTRATIVE REQUIREMENTS

A. Accounting Standards

The City agrees to comply with 24 CFR 84 or 85 as applicable and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

B. Cost Principles

The City shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," A-21, "Cost Principles for Educational Institutions," or OMB Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

C. Documentation and Record Keeping

1. Records to be Maintained

The City and its subrecipients will maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- i. Records providing a full description of each activity undertaken;
- ii. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- iii. Records required to determine the eligibility of activities;
- iv. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- v. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- vi. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
- vii. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Records Retention

The City shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of five (5) years. The retention period begins on the date of the submission of the County's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

3. Client Data

The City shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to County monitors or their designees for review upon request.

4. Disclosure

The City understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the County's or City's responsibilities with respect to services provided under this contract, is prohibited by applicable federal and State law unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Close-outs

The City's obligation to the County shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the County), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the City has control over CDBG funds, including program income.

6. Audits & Inspections

All City records with respect to any matters covered by this Agreement shall be made available to the County, HUD, and the Controller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the City within 30 days after receipt by the City. Failure of the City to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The City hereby agrees to have an annual agency audit conducted in accordance with current County policy concerning subrecipient audits and OMB Circular A-133.

IV. PROJECT IMPLEMENTATION AND SCHEDULE

Unless pre-approved by County, CITY will perform and complete the activities described in Section II in conformance with the schedule of tasks and milestones listed below:

<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Attend Mandatory Cooperating City Training	July 2010	July 2010
Execute Subrecipient Agreements (EDA must approve)	July 1, 2010	---
Implement Program Activities	July 1, 2010	TBD
Execute Supplemental Agreement & Notice to Incur Cost	August 2010	September 2010
City Submit Quarterly Performance Reports to County		October 15, 2010 January 15, 2011 April 15, 2011 July 31, 2011
County Monitoring of City Performance	TBD	TBD
City submit Monthly Direct Benefit Reports	September 2010	July 2011
City Submits Reimbursement Requests		
Monthly Submittal <input type="checkbox"/>	September 2010	<u>June 13, 2011</u>
Other Schedule <input type="checkbox"/>	_____	_____
CDBG Program Services Complete		TBD

V. SPECIAL CONDITIONS /PERFORMANCE REQUIREMENTS

[This Section of the Agreement can be used by County to include any special conditions specific to the particular activity or CITY. – this may include limiting project activities to certain geographic areas, specific activities, specific costs, or specific time frames]

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**SUPPLEMENTAL AGREEMENT
SCOPE OF WORK
(NON-PUBLIC SERVICE)**

I. GENERAL INFORMATION

CITY NAME: «Sponsor» _____

ADDRESS: «Address» _____
«City», «State» «Zip» _____

PROGRAM CONTACTS: «ContactFirstName» «ContactLastName», «ContactTitle» _____

PHONE: «Phone» _____ FAX: «Fax» _____

E-MAIL: _____

PROJECT NAME: «Project Name» _____

PROJECT LOCATION: «Project_Location» _____

LEVEL OF ENVIRONMENTAL CLEARANCE: _____

CDBG ELIGIBILITY CODE: _____

PROJECT FUNDING SUMMARY:

1 ST District	«First_District»	4 th District	«Fourth_District»
2 nd District	«Second_District»	5 th District	«Fifth_District»
3 rd District	«Third_District»	City Funding	«City_Funding»

Project to be administered by County (EDA) on behalf of City: YES NO

II. SCOPE OF SERVICE

A. Activities

City will be responsible for administering a **2010-2011** Community Development Block Grant for the «**Project_Name**» in a manner satisfactory to the County of Riverside and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

Activity #1 «Description_1_Final» «Description_2_Final» «Description_3_Final»

B. National Objective

All activities funded with CDBG funds must comply with one of more of the CDBG program's National Objective Criteria as required under 24 CFR 570.200(a)(2). City certifies that the activity(ies) carried out under this Agreement will meet the following National Objective:

National Objective Criteria: «NObjective» _____

CFR Reference: «Benefit» _____

C. Levels of Accomplishment – Goals and Performance Measures

The City agrees to implement and complete the following activity(ies):

Activity #1

Activity #2

CPD OUTCOME PERFORMANCE MEASUREMENT

- Objectives (select one):**
- Creating Suitable Living Environments
 - Providing Decent Affordable Housing
 - Creating Economic Opportunities

- Outcome (select one):**
- Availability/Accessibility
 - Affordability
 - Sustainability (promoting livable or viable communities)

D. City Capacity

By executing this Supplemental Agreement, the City certifies that it has the appropriate number of trained and knowledgeable staff, adequate facilities, proper equipment, required licensing and permitting, and sufficient amount of financial resources necessary to implement and carry out the activities funded with CDBG funds.

City will immediately notify County of any significant changes in organizational management, assigned staff, change in facilities, loss or change in matching funds, or any other event that could potentially impact the City or subrecipient's performance under this Agreement.

Any changes in the above items are subject to the prior approval of the County.

E. Performance Monitoring

The County of Riverside will monitor the performance of the City and its subrecipients against goals and performance standards as stated above. Substandard performance as determined by the

County will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the City within a reasonable period of time after being notified by the County, contract suspension or termination procedures will be initiated.

F. Program Budget

It is expressly agreed and understood that the total amount to be paid by the County under this Agreement shall not exceed «**Total Granted Funding**» Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in this Section and in accordance with performance. Payments may be contingent upon certification of the Subrecipient's financial management system in accordance with the standards specified in 24 CFR 84.21.

The County may require a more detailed budget breakdown than the one contained herein, and the City shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the County. Any amendments to the budget must be approved in writing by both the County and City.

<u>Line Item</u>	
Design/Engineering Costs	<input type="checkbox"/>
Project Administration Costs	<input type="checkbox"/>
Construction Costs	<input type="checkbox"/>
Acquisition Costs	<input type="checkbox"/>
Relocation Costs	<input type="checkbox"/>
Capital Equipment Costs	<input type="checkbox"/>
Code Enforcement	<input type="checkbox"/>
Clearance	<input type="checkbox"/>
Interim Assistance	<input type="checkbox"/>
Other:	<input type="checkbox"/>
Total:	\$

G. Total Amount of Non- CDBG Leveraging

TYPE	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	TOTAL
FEDERAL							
STATE/LOCAL							
PRIVATE							
OTHER							

TOTAL: _____

III. ADMINISTRATIVE REQUIREMENTS

A. Accounting Standards

The City agrees to comply with 24 CFR 84 or 85 as applicable and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

B. Cost Principles

The City shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," A-21, "Cost Principles for Educational Institutions," or OMB Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

C. Documentation and Record Keeping

1. Records to be Maintained

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- i. Records providing a full description of each activity undertaken;
- ii. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- iii. Records required to determine the eligibility of activities;
- iv. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- v. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- vi. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
- vii. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Records Retention

The City shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of five (5) years. The retention period begins on the date of the submission of the County's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

3. Client Data

The City shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to County monitors or their designees for review upon request.

4. Disclosure

The City understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the County's or City's responsibilities with respect to services provided under this contract, is prohibited by applicable federal and State law unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Close-outs

The City's obligation to the County shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the County), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the City has control over CDBG funds, including program income.

6. Audits & Inspections

All City records with respect to any matters covered by this Agreement shall be made available to the County, HUD, and the Controller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the City within 30 days after receipt by the City. Failure of the City to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The City hereby agrees to have an annual agency audit conducted in accordance with current County policy concerning subrecipient audits and OMB Circular A-133.

IV. PROJECT IMPLEMENTATION AND SCHEDULE

Unless pre-approved by County, City will perform and complete the activities described in Section II in conformance with the schedule of tasks and milestones listed below:

<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Attend Mandatory Cooperating City Training	July 2010	July 2010
Implement Project Activities	Upon Notification from EDA	
Execute Supplemental Agreement & Notice to Incur Cost	August 2010	September 2010

<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Submit Quarterly Performance Reports to County		October 15, 2010 January 15, 2011 April 15, 2011 July 31, 2011

County Monitoring of City Program/Performance	To be determined by Program Manager
---	-------------------------------------

Specific Project Activities	To be determined by Program Manager
-----------------------------	-------------------------------------

City Submits Reimbursement Requests

Monthly Submittal

Other Schedule

CDBG-funded Project Complete

TBD

City Submits Monthly Direct Benefit Reports

Upon Notification by EDA

V. SPECIAL CONDITIONS /PERFORMANCE REQUIREMENTS

[This Section of the Agreement can be used by County to include any special conditions specific to the particular activity or CITY. – this may include limiting project activities to certain geographic areas, specific activities, specific costs, or specific time frames]

**AGREEMENT FOR THE USE OF
EMERGENCY SHELTER GRANT FUNDS**

THIS AGREEMENT, entered into this _____ day of _____ 2010, by and between the COUNTY OF RIVERSIDE, hereinafter referred to as "COUNTY", and «SPONSOR», a California non-profit corporation, hereinafter referred to as "SUBRECIPIENT",

W I T N E S S E T H:

WHEREAS, pursuant to Subtitle B of the Stewart B. McKinney Homeless Assistance Act of 1987 (Public Law 100-77, hereinafter referred to as the "Act"), COUNTY has been awarded Emergency Shelter Grant ("ESG") Program funds which are to be used to improve the quality of existing emergency shelters for the homeless, to help make available additional emergency shelters, and to provide certain essential social services to homeless individuals and families; and

WHEREAS, COUNTY is authorized to contract with subrecipient organizations for the use of ESG funds to provide various services for homeless individuals and families; and

WHEREAS, SUBRECIPIENT as a nonprofit corporation is eligible under the Act to receive ESG funds to provide those services as described herein;

WHEREAS, SUBRECIPIENT is eligible under the Act to receive ESG funds to perform those activities described herein; and

WHEREAS, the SUBRECIPIENT has submitted its proposal to the COUNTY for funding the activities described herein;

NOW, THEREFORE, the COUNTY AND SUBRECIPIENT mutually agree as follows:

1. SCOPE OF SERVICES. SUBRECIPIENT promises and agrees to provide certain emergency shelter grant program services for homeless persons, by utilizing the sum of «ESGGrantedFunding», ESG Program funds, as set forth and in the manner provided in Exhibit "A" which is attached hereto and by this reference incorporated herein. SUBRECIPIENT shall also provide homeless individuals with assistance in obtaining (1) appropriate supportive services, including permanent housing, physical health treatment, mental health treatment, counseling, supervision, and other essential services to achieve

1 independent living; and (2) other federal, state, local, and private assistance available for such
2 individuals. Any and all services provided hereunder shall be in full conformity with the Act
3 and any amendments thereto and the federal regulation and guidelines now or hereinafter
4 enacted pursuant to the Act.

5 2. TERM. The term of this Agreement shall be for a period commencing on July 1,
6 2010, and terminating on June 30, 2011, unless sooner terminated as provided in Paragraph 5
7 herein.

8 3. DISTRIBUTION OF FUNDS. The COUNTY shall pay to the SUBRECIPIENT
9 the sum specified in Paragraph 1 above on a reimbursable basis for all approved costs. The
10 SUBRECIPIENT shall submit not more often than monthly to the ESG Administrator of
11 County a certified statement setting forth in detail the expenditures made for which it is asking
12 reimbursement along with pertinent supporting documentation. The COUNTY shall promptly
13 review the monthly expenditure statement and reimburse the SUBRECIPIENT for the
14 approved costs in accordance with its usual accounting procedures. The COUNTY may
15 require from SUBRECIPIENT such supporting documentation as may be necessary and
16 appropriate for the COUNTY to make its determination as to allowable costs. Each
17 disbursement of ESG funds shall be made within thirty (30) days after SUBRECIPIENT has
18 submitted its statement of expenditure.

19 4. RECORD KEEPING. The SUBRECIPIENT shall maintain financial,
20 programmatic, statistical, and other supporting records of its operations and financial activities
21 in accordance with the requirements of 24 CFR 576.65. Such records shall be open to
22 inspection and audit by the authorized representatives of the COUNTY, the Department of
23 Housing and Urban Development and the Controller General during regular working hours.
24 Said records shall be retained for such time as may be required by the regulations (91 CFR
25 105(h)) of the Housing and Community Development Act, but in no case for less than five (5)
26 years.

27 SUBRECIPIENT will obtain an external audit in accordance with OMB Circular A-133,
28 the Single Audit Act of 1984, the Single Audit Act Amendments of 1996, and the U.S.
Department of Housing and Urban Development single audit regulations if SUBRECIPIENT

1 has expended \$500,000 or more in federal funds, in a single year, not limited to ESG or
2 CDBG funds. The audit report must be submitted to the COUNTY within 180 days after the
3 termination of this Agreement.

4 SUBRECIPIENT will comply with the requirements of 24 CFR 576.56 (a) (2) and
5 576.65 (b) ensuring the confidentiality of records pertaining to the provision of family
6 violence prevention or treatment services with assistance under the ESG program [42 U.S.C.
7 11375 (c)(5)].

8 SUBRECIPIENT shall maintain a separate account for ESG funds.

9 5. TERMINATION.

10 a. Either party may terminate this Agreement upon thirty (30) days written
11 notice to the other party. Said notice shall include the reason for termination and the effective
12 date thereof.

13 b. Notwithstanding the provisions of paragraph 5a, COUNTY may suspend
14 or terminate this Agreement forthwith for cause upon a thirty (30) day written notice to
15 SUBRECIPIENT of the action being taken. Cause shall be established:

16 (1) In the event SUBRECIPIENT fails to perform the covenants
17 herein contained at such times and in such manner as provided in this Agreement; or

18 (2) In the event there is a conflict with any federal, state or local law,
19 ordinance, regulation or rule rendering any of the provisions of this Agreement invalid or
20 untenable; or

21 (3) In the event the funding from the United States Department of
22 Housing and Urban Development (HUD), referred to in the recitals herein, is reduced,
23 terminated or otherwise becomes unavailable. COUNTY shall provide written notice to
24 SUBRECIPIENT within five (5) days from the date HUD reduces, suspends, or terminates the
25 ESG funding. This Agreement shall be either terminated or amended to reflect said reduction
26 in funds.

27 c. Upon termination of this Agreement, SUBRECIPIENT agrees to return any
28 unencumbered funds which it has been provided by COUNTY. In accepting said funds,

1 COUNTY does not waive any claim or cause of action it may have against SUBRECIPIENT
2 for breach of this Agreement.

3 d. Upon termination of this Agreement, SUBRECIPIENT shall not incur any
4 obligations after the effective date of such termination, unless expressly authorized in writing
5 by COUNTY in the notice of termination.

6 6. CONDITIONS PRECEDENT. It is expressly understood and agreed by
7 SUBRECIPIENT that there will be no processing and continued funding of this Agreement
8 unless and until the following conditions have been fulfilled:

9 a. Site Information. SUBRECIPIENT shall provide COUNTY with the
10 following information listed in the Proposal Summary Sheet:

- 11 (1) Documentation of site control;
- 12 (2) Documentation of the value of the site;
- 13 (3) Documentation from the local jurisdiction verifying the status of
14 the property; and
- 15 (4) Local map identifying the location of the office, shelter, and other
16 sites where funded activities will occur.

17 b. Staffing. SUBRECIPIENT shall employ at least one (1) full-time staff
18 person to operate and coordinate the activities of the shelter and/or drop-in center.

19 7. PAYMENT OF FUNDS. The Board of Supervisors of the COUNTY shall
20 determine the final disposition and distribution of all funds received by COUNTY under the
21 Act. COUNTY, through its Economic Development Agency, shall make payments of ESG
22 funds to SUBRECIPIENT as designated in Exhibit "A" and shall monitor the expenditure of
23 funds and activities of SUBRECIPIENT to ensure compliance with applicable federal
24 regulations and the terms of this Agreement. SUBRECIPIENT shall establish and maintain a
25 separate account for all ESG funds received under this agreement and deposit all such funds in
26 said account.

27 All disbursements of grant funds will be made as follows:

28 a. Payments shall be made to a SUBRECIPIENT upon its request after the
grant agreement has been fully executed on a reimbursement basis and made within thirty (30)

1 days after the SUBRECIPIENT has submitted written notice identifying payments made and
2 requesting reimbursement. Payments shall be based on actual approved and documented
3 expenses by SUBRECIPIENT.

4 b. In no event shall COUNTY be held liable for expenses incurred by
5 SUBRECIPIENT in excess of the ESG allocation noted in Paragraph 1, SCOPE OF
6 SERVICES.

7 c. Payments may be withheld if, on a determination by COUNTY,
8 SUBRECIPIENT has not complied with the covenants herein contained at such times and in
9 such manner as provided in this Agreement.

10 d. No later than thirty (30) days prior to the termination of this Agreement,
11 SUBRECIPIENT shall provide COUNTY with its estimate of the amount of funds which will
12 remain unexpended upon such termination. Notwithstanding any provision contained in this
13 paragraph 7, COUNTY shall, after a thirty (30) day written notice is given SUBRECIPIENT,
14 have the right to (1) reduce the payment of funds hereunder, (2) renegotiate the actual levels
15 of expenditures in the event SUBRECIPIENT's rate of expenditures will result in unexpended
16 funds at the expiration of this Agreement, and (3) reprogram funds associated with a project
17 on which there has been no substantial progress or activity.

18 8. DOCUMENTATION, REPORTS, INSPECTIONS, AND PERFORMANCE
19 EVALUATION.

20 a. Documentation of Expenditures. All expenditures supported by properly
21 executed payrolls, time records, invoices, contracts, vouchers, orders and any other accounting
22 documents pertaining in whole or in part to this Agreement, shall be clearly identified and
23 readily accessible. SUBRECIPIENT shall maintain and keep available all such documents for
24 a period of not less than five (5) years from the termination of this Agreement if a COUNTY,
25 State and/or Federal audit has occurred and for a period of not less than five (5) years from
26 said date if such audit has not occurred. In the event of audit exception, such documents shall
27 be maintained until every exception has been cleared to the satisfaction of COUNTY.

28 b. Inspections. SUBRECIPIENT shall make available to COUNTY, State
and/or Federal officials, its records and data with respect to all matters covered by this

1 Agreement for inspection and audit, which inspection and audit may be made at any time after
2 reasonable notice. SUBRECIPIENT shall comply with the audit requirements of OMB
3 Circular A-110 as applicable and as they relate to the acceptance and use of federal funds
4 under this Agreement.

5 c. Performance Evaluation. SUBRECIPIENT shall permit COUNTY, State
6 and/or Federal officials to monitor, assess or evaluate SUBRECIPIENT's performance under
7 this Agreement on an as needed basis to be determined by the COUNTY based on monitoring
8 and performance evaluations. Said monitoring, assessment, or evaluation to include, but not
9 be limited to, audits, inspections within the program area, and interviews with
10 SUBRECIPIENT's employees, agents, independent contractors, and subcontractors providing
11 the services under this Agreement and recipients thereof.

12 9. BUILDING OR FACILITY.

13 a. Any building for which emergency shelter grant amounts are used for
14 renovation, conversion, or major rehabilitation must meet local government safety and
15 sanitation standards and comply with the requirements of 24 CFR Part 576.55.

16 b. When ESG funds are utilized to provide emergency shelter for the
17 homeless in hotels or motels or other commercial facilities providing transient housing, the
18 following shall be complied with:

19 (1) SUBRECIPIENT, at the request of COUNTY, shall execute an
20 agreement with the provider of such housing which provides that comparable living space, in
21 terms of quality, available amenities, and square footage, will be available in the facility for
22 use as emergency shelter for at least the same period of time provided in Paragraph 2 herein;
23 and

24 (2) Leases negotiated between SUBRECIPIENT and the provider of
25 such housing shall make available such living space at substantially less than the daily room
26 rate otherwise charged by the facility; and

27 (3) SUBRECIPIENT shall certify in writing to COUNTY that is has
28 considered using other facilities as emergency shelters, and has determined that the use of

1 such living space in the facilities provides the most cost-effective means of providing
2 emergency shelter for the homeless in the COUNTY.

3 c. SUBRECIPIENT shall ensure that any building or facility is utilized
4 exclusively for secular purposes and is made available to all persons regardless of religion. If
5 ESG funds are used to renovate, rehabilitate, or convert buildings owned by primarily
6 religious organizations or entities, SUBRECIPIENT shall comply with the provisions of 24
7 CFR 576.21 (b)(2).

8 d. SUBRECIPIENT shall comply with the Uniform Federal Accessibility
9 Standards (24 CFR 40, Appendix A) when activities funded by the ESG Program involve
10 major rehabilitation or conversion.

11 e. SUBRECIPIENT shall comply with Section 3 of the Housing and Urban
12 Development Act of 1968, as amended; attached hereto as Exhibit "S".

13 10. MAINTENANCE AS A HOMELESS FACILITY.

14 a. SUBRECIPIENT shall maintain any building for which ESG funds are
15 used for not less than a three (3) year period, or for not less than a ten (10) year period if the
16 grant amounts are used for major rehabilitation or conversion of the building (24 CFR
17 576.63).

18 b. The three or ten year periods begin to run:

19 (1) On the date of initial occupancy as an emergency shelter for the
20 homeless when the building utilized was not operated as an emergency shelter for the
21 homeless before receiving ESG funds; or

22 (2) On the date that ESG funds are first obligated to the shelter when
23 the building was operated as an emergency shelter before receiving ESG funds.

24 c. When ESG funds are used exclusively to provide essential services
25 including, but not limited to, services concerned with employment, physical or mental health,
26 substance abuse, education or food, the time periods noted above are not applicable.

27 11. INDEPENDENT CAPACITY. SUBRECIPIENT, and its officers, employees
28 and agents, shall act in an independent capacity during the term of this Agreement and shall

1 not act as, shall not be, nor shall they in any manner be construed to be, officers, employees,
2 or agents of COUNTY or the State of California.

3 12. ASSIGNABILITY. SUBRECIPIENT cannot assign any of its rights, duties or
4 obligations pursuant to this Agreement to any person or entity without the prior written
5 consent of COUNTY; this includes the ability to subcontract all or a portion of its rights,
6 duties, and obligations hereunder.

7 13. INSURANCE. Without limiting or diminishing the SUBRECIPIENT'S
8 obligation to indemnify or hold the COUNTY harmless, SUBRECIPIENT shall procure and
9 maintain or cause to be maintained, at its sole cost and expense, the following insurance
10 coverage's during the term of this Agreement.

11 A. Workers' Compensation:

12 If the SUBRECIPIENT has employees as defined by the State of California, the
13 SUBRECIPIENT shall maintain statutory Workers' Compensation Insurance (Coverage A) as
14 prescribed by the laws of the State of California. Policy shall include Employers' Liability
15 (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person
16 per accident. The policy shall be endorsed to waive subrogation in favor of The County of
17 Riverside, and, if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement.

18 B. Commercial General Liability:

19 Commercial General Liability insurance coverage, including but not limited to,
20 premises liability, contractual liability, products and completed operations liability, personal
21 and advertising injury, and cross liability coverage, covering claims which may arise from or
22 out of SUBRECIPIENT 'S performance of its obligations hereunder. Policy shall name the
23 County of Riverside, its Agencies, Districts, Special Districts, and Departments, their
24 respective directors, officers, Board of Supervisors, employees, elected or appointed officials,
25 agents or representatives as Additional Insureds. Policy's limit of liability shall not be less
26 than \$1,000,000 per occurrence combined single limit. If such insurance contains a general
27 aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the
28 occurrence limit.

1 C. Vehicle Liability:

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

10 D. General Insurance Provisions - All lines:

11 1) Any insurance carrier providing insurance coverage hereunder shall be admitted
12 to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless
13 such requirements are waived, in writing, by the County Risk Manager. If the County's Risk
14 Manager waives a requirement for a particular insurer such waiver is only valid for that
15 specific insurer and only for one policy term.

16 2) The SUBRECIPIENT'S insurance carrier(s) must declare its insurance self-
17 insured retentions. If such self-insured retentions exceed \$500,000 per occurrence such
18 retentions shall have the prior written consent of the County Risk Manager before the
19 commencement of operations under this Agreement. Upon notification of self insured
20 retention unacceptable to the COUNTY, and at the election of the County's Risk Manager,
21 SUBRECIPIENT 'S carriers shall either; 1) reduce or eliminate such self-insured retention as
22 respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of
23 losses and related investigations, claims administration, and defense costs and expenses.

24 3) SUBRECIPIENT shall cause SUBRECIPIENT 'S insurance carrier(s) to furnish
25 the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance
26 and certified original copies of Endorsements effecting coverage as required herein, and 2) if
27 requested to do so orally or in writing by the County Risk Manager, provide original Certified
28 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

1 given to the County of Riverside prior to any material modification, cancellation, expiration or
2 reduction in coverage of such insurance. In the event of a material modification, cancellation,
3 expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the
4 County of Riverside receives, prior to such effective date, another properly executed original
5 Certificate of Insurance and original copies of endorsements or certified original policies,
6 including all endorsements and attachments thereto evidencing coverage's set forth herein and
7 the insurance required herein is in full force and effect. *SUBRECIPIENT shall not commence*
8 *operations until the COUNTY has been furnished original Certificate (s) of Insurance and*
9 *certified original copies of endorsements and if requested, certified original policies of*
10 *insurance including all endorsements and any and all other attachments as required in this*
11 *Section.* An individual authorized by the insurance carrier to do so on its behalf shall sign the
12 original endorsements for each policy and the Certificate of Insurance.

13 4) It is understood and agreed to by the parties hereto that the SUBRECIPIENT 'S
14 insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or
15 deductibles and/or self-insured retention's or self-insured programs shall not be construed as
16 contributory.

17 5) If, during the term of this Agreement or any extension thereof, there is a material
18 change in the scope of services; or, there is a material change in the equipment to be used in
19 the performance of the scope of work which will add additional exposures (such as the use of
20 aircraft, watercraft, cranes, etc.); or, the term of this Agreement, including any extensions
21 thereof, exceeds five (5) years the COUNTY reserves the right to adjust the types of insurance
22 required under this Agreement and the monetary limits of liability for the insurance coverage's
23 currently required herein, if; in the County Risk Manager's reasonable judgment, the amount or
24 type of insurance carried by the SUBRECIPIENT has become inadequate.

25 6) SUBRECIPIENT shall pass down the insurance obligations contained herein to
26 all tiers of subcontractors working under this Agreement.

27 7) The insurance requirements contained in this Agreement may be met with a
28 program(s) of self-insurance acceptable to the COUNTY.

1
2 8) SUBRECIPIENT agrees to notify COUNTY of any claim by a third party or any
3 incident or event that may give rise to a claim arising from the performance of this Agreement.

4 14. HOLD HARMLESS AND INDEMNIFICATION. SUBRECIPIENT shall
5 indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts
6 and Departments, their respective directors, officers, Board of Supervisors, elected and
7 appointed officials, employees, agents and representatives from any liability whatsoever, based
8 or asserted upon any services of SUBRECIPIENT, its officers, employees, subcontractors,
9 agents or representatives arising out of or in any way relating to this Agreement, including but
10 not limited to property damage, bodily injury, or death or any other element of any kind or
11 nature whatsoever arising from the performance of SUBRECIPIENT, its officers, agents,
12 employees, subcontractors, agents or representatives from this Agreement. SUBRECIPIENT
13 shall defend, at its sole expense, all costs and fees including, but not limited, to attorney fees,
14 cost of investigation, defense and settlements or awards, the County of Riverside, its Agencies,
15 Districts, Special Districts and Departments, their respective directors, officers, Board of
16 Supervisors, elected and appointed officials, employees, agents and representatives in any
17 claim or action based upon such alleged acts or omissions.

18 With respect to any action or claim subject to indemnification herein by
19 SUBRECIPIENT, SUBRECIPIENT shall, at their sole cost, have the right to use counsel of
20 their own choice and shall have the right to adjust, settle, or compromise any such action or
21 claim without the prior consent of COUNTY; provided, however, that any such adjustment,
22 settlement or compromise in no manner whatsoever limits or circumscribes
23 SUBRECIPIENT'S indemnification to COUNTY as set forth herein.

24 SUBRECIPIENT'S obligation hereunder shall be satisfied when SUBRECIPIENT has
25 provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability
26 for the action or claim involved.

27 The specified insurance limits required in this Agreement shall in no way limit or
28 circumscribe SUBRECIPIENT'S obligations to indemnify and hold harmless the COUNTY
herein from third party claims.

1 15. FEDERAL REQUIREMENTS. SUBRECIPIENT shall comply with the
2 provisions of the Act and any amendments thereto and the federal regulations and guidelines
3 now or hereafter enacted pursuant to the Act. More particularly, SUBRECIPIENT is to
4 comply with those regulations found in 24 CFR 576. SUBRECIPIENT is to comply with
5 OMB Circular Nos. A-110, A-87, and A-122, as applicable, as they relate to the acceptance
6 and use of federal funds under this Agreement. SUBRECIPIENT is to abide by the provisions
7 of the COUNTY's ESG program policies.

8 16. COMPLIANCE WITH LAW. SUBRECIPIENT shall comply with all federal,
9 state and local law and regulation pertinent to its operations and services to be performed
10 hereunder, and shall keep in effect any and all licenses, permits, notices and certificates as are
11 required thereby. SUBRECIPIENT shall further comply with all laws applicable to wages
12 and hours of employment, occupational safety and to fire safety, health and sanitation.

13 17. FIVE-YEAR CONSOLIDATED PLAN (CP). SUBRECIPIENT shall cooperate
14 with COUNTY in undertaking emergency shelter grant activities that will assist the COUNTY
15 in carrying out its Consolidated Plan Strategy to prevent homelessness and enable homeless
16 individuals and families to move toward independent living and shall act in conformity
17 therewith.

18 18. NONDISCRIMINATION AND EQUAL OPPORTUNITY COMPLIANCE.

19 a. SUBRECIPIENT hereby certifies compliance with the following:

20 (1) Executive Order 11246, as amended, and the regulations issued
21 thereunder at 41 CFR 60;

22 (2) Title VI and Title VII of the Civil Rights Act of 1964 (42 U.S.C.
23 200d et seq.), as amended to the Equal Opportunity Act of March 24, 1972 (Public Law 92-
24 261);

25 (3) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601-3619)
26 and implementing regulations issued pursuant thereto (24 CFR Part 1);

27 (4) Executive Order 11063 and implementing regulations issued
28 pursuant thereto (24 CFR 107);

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(5) Age Discrimination Act of 1975 (42 U.S.C. 6101-6107);

(6) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794);

(7) Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u); and

(8) Executive Orders 11625, 12432 and 12138. Consistent with HUD's responsibilities under these Orders, the SUBRECIPIENT must make efforts to encourage the use of minority and women's business enterprises in connection with ESG activities;

b. SUBRECIPIENT shall establish and maintain a procedure through which homeless individuals will be informed that use of the facilities and services is available to all on a nondiscriminatory basis.

c. SUBRECIPIENT agrees to abide by and include in any subcontracts to perform work under this Agreement, the following clause:

"During the performance of this Agreement SUBRECIPIENT and its subcontractors shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age (over 40) or sex. SUBRECIPIENT and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination. SUBRECIPIENT and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990, set forth in Chapter 5 of Division 4 of Title 2 of the California Administrative Code are incorporated into this Agreement by reference and made a part hereof as if set forth in full. SUBRECIPIENT and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement."

1 d. The equal opportunity clause contained in Section 202 of Executive
2 Order 11246, as amended, is hereby incorporated into this Agreement by this reference.

3 e. During the performance of this Agreement, SUBRECIPIENT and its
4 subcontractors, if any, shall not deny the benefits rendered hereunder to any person on the
5 basis of religion, color, ethnic group identification, sex, age, or physical or mental disability.

6 f. SUBRECIPIENT shall furnish all information and reports as required by
7 Executive Order 11246, as amended.

8 g. SUBRECIPIENT shall include the non-discrimination and compliance
9 provisions of the equal opportunity clause in all subcontracts, if any.

10 19. SUBRECIPIENT MONITORING. SUBRECIPIENT agrees to cooperate with
11 all COUNTY ESG program subrecipient monitoring requirements as required by 24 CFR
12 576.61, 24 CFR 85.40 (a), and the COUNTY's CPD Program Subrecipient Monitoring Policy.

13 20. AFFIRMATIVE ACTION COMPLIANCE. Each SUBRECIPIENT or
14 subcontractor with less than fifty (50) employees shall comply with Section 202 of Part II of
15 Executive Order 11246, as amended. SUBRECIPIENT shall insure that subcontractors, if
16 any, falling within the scope of this provision shall comply in full with the requirements
17 thereof.

18 21. PROHIBITION AGAINST CONFLICTS OF INTEREST.

19 a. SUBRECIPIENT and its assigns, employees, agents, consultants, officers and
20 elected and appointed officials shall become familiar with and shall comply with the ESG
21 regulations prohibiting conflicts of interest contained in 24 CFR 576.57 (d) as well as 24 CFR
22 570.611, attached hereto as Exhibit "CI" and by this reference incorporated herein.

23 b. SUBRECIPIENT understands and agrees that no waiver or exception can
24 be granted to the prohibition against conflict of interest except upon written approval of HUD
25 pursuant to 24 CFR 570.611(d). Any request by SUBRECIPIENT for an exception shall first
26 be reviewed by COUNTY to determine whether such request is appropriate for submission to
27 HUD. In determining whether such request is appropriate for submission to HUD, COUNTY
28 will consider the factors listed in 24 CFR 570.611(e).

1 c. Prior to any funding under this Agreement, SUBRECIPIENT shall
2 provide COUNTY with a list of all employees, agents, consultants, officers and elected and
3 appointed officials who are in a position to participate in a decision-making process, exercise
4 any functions or responsibilities, or gain inside information with respect to the ESG activities
5 funded under this Agreement. SUBRECIPIENT shall also promptly disclose to COUNTY
6 any potential conflict, including even the appearance of conflict that may arise with respect to
7 the ESG activities funded under this Agreement.

8 d. Any violation of this section shall be deemed a material breach of this
9 Agreement, and the Agreement shall be immediately terminated by the COUNTY.

10 22. RELIGIOUS ACTIVITIES. Under federal regulations, ESG assistance may not
11 be used for religious activities or provided to primarily religious entities for any activities
12 including secular activities. SUBRECIPIENT shall adhere to the restrictions set forth in 24
13 CFR 576.23 and 24 CFR 570.200(j), which is attached hereto as Exhibit "R" and by this
14 reference is incorporated herein.

15 23. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND
16 OTHER APPLICABLE STATUTES, REGULATIONS AND ORDINANCES. The
17 SUBRECIPIENT certifies to the best of its knowledge and belief, that:

18 (1) No federally-appropriated funds have been paid or will be paid, by or on
19 behalf of the undersigned, to any person for influencing or attempting to influence an officer
20 or employee of any agency, a member of Congress, an officer or employee of Congress, or an
21 employee of a member of Congress in connection with the awarding of any federal contract,
22 the making of any federal grant, the making of any federal loan, the entering into of any
23 cooperative agreement, and the extension, continuation, renewal, amendment, or modification
24 of any federal contract, grant, loan, or cooperative agreement.

25 (2) If any funds other than federally-appropriated funds have been paid or
26 will be paid to any person for influencing or attempting to influence an officer or employee of
27 any agency, a member of Congress, an officer or employee of Congress, or an employee of a
28 member of Congress in connection with this federal contract, grant, loan, or cooperative

1 agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form
2 to Report Lobbying," in accordance with its instructions.

3 (3) The undersigned shall require that the language of this certification be
4 included in the award documents for all subawards at all tiers (including subcontracts,
5 subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub-
6 recipients shall certify and disclose accordingly. This certification is a material representation
7 of fact upon which reliance was placed when this transaction was made or entered into.

8 (4) the SUBRECIPIENT does not assume the COUNTY'S Federal
9 environmental responsibilities described at 24CFR 570.604. Pursuant to Section 15051 (d) of
10 the Title 14 of the California Administrative Code, SUBRECIPIENT is designated as the lead
11 agency for the project that is the subject matter of this Agreement.

12 (5) the SUBRECIPIENT acknowledges that the source of funding pursuant
13 to this Agreement is Emer4gency Shelter Grant (ESG) funds (CFDA 14.231).

14 24. ELIGIBILITY OF CONTRACTORS AND SUBCONTRACTORS. No ESG
15 funds allocated to SUBRECIPIENT through this Agreement may be used, directly or
16 indirectly, to employ, award contracts to, or otherwise engage the services of, or fund any
17 contractor or subcontractor during any period of debarment, suspension, or placement in
18 ineligibility status under the provision of 24 CFR 24.

19 25. LEAD-BASED PAINT SUBRECIPIENT and all subcontractors, if any, shall
20 comply with the requirements, as applicable, of the Lead-Based Paint Poisoning Prevention
21 Act (42 U.S.C. 4821-4846) and implementing regulations issued pursuant thereto (24 CFR
22 35).

23 26. FLOOD INSURANCE. No site proposed on which renovation, major
24 rehabilitation, or conversion of a building is to be assisted under this part, other than by grant
25 amounts allocated to the State, may be located in an area that has been identified by the
26 Federal Emergency Management Agency as having special flood hazards, unless the
27 community in which the area is situated is participating in the National Flood Insurance
28 Program and the regulations issued thereunder (44 CFR 59-79) or less than a year has passed
since the Federal Emergency Management Agency notification regarding such hazards, and

1 the SUBRECIPIENT will ensure that flood insurance on the structure is obtained in
2 compliance with Section 102(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001
3 et seq.).

4 27. NOTICES. Any notices required or desired to be served by either party upon the
5 other shall be addressed to respective parties as set out below:

<u>COUNTY</u>	<u>SUBRECIPIENT</u>
<u>Assistant County Executive Officer/EDA</u> <u>Economic Development Agency</u> <u>P.O. Box 1180</u> <u>Riverside, CA 92502</u>	«ContactFirstName» «ContactLastName» <u>«Sponsor»</u> <u>«Address»</u> <u>«City», «State» «Zip»</u>

10 or to such other addresses as from time-to-time shall be designated by the respective parties.

11 28. BINDING ON SUCCESSORS. SUBRECIPIENT, its heirs, assigns and
12 successors in interest shall be bound by all the provisions contained in this Agreement, and all
13 of the parties thereto shall be jointly and severally liable hereunder.

14 29. RENTAL VOUCHER PROGRAM. SUBRECIPIENT shall participate with the
15 COUNTY in the Rental Voucher & Certificate Program for Homeless families and adhere to
16 all its regulations issued there under (24 CFR 882 & 887.)

17 30. ASSURANCES AND WARRANTIES. SUBRECIPIENT represents and
18 warrants (1) that it has access to professional advice and support to the extent necessary to
19 enable SUBRECIPIENT to fully comply with the terms of the Agreement and to otherwise
20 carry out the Project, (2) that it is duly organized, validly existing and in good standing under
21 the laws of the State of California, (3) that it has the full power and authority to undertake the
22 Project and to execute this Agreement, (4) that the persons executing and delivering this
23 Agreement are authorized to execute and deliver such documents on behalf of
24 SUBRECIPIENT and (5) that neither SUBRECIPIENT nor any of its principals is presently
25 debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded
26 from participation in connection with the transaction contemplated by this Agreement.

27 31. ASSISTANCE TERMINATION. SUBRECIPIENT may, in accordance with
28 42 U.S.C. 11375 (e) and 24 CFR 576.56 (a) (3), terminate assistance provided through the
ESG program to an individual or family that violate program requirements. SUBRECIPIENT

1 is required to have in place COUNTY approved policies and procedures that govern the
2 termination and grievance process. The procedures must describe the SUBRECIPIENT's
3 program requirements and the termination process, as well as the grievance procedure that
4 outlines participant's rights to request a hearing or other recourse regarding the termination of
5 their assistance.

6 32. HOMELESS PREVENTION ACTIVITIES. SUBRECIPIENT will comply with
7 the requirements of 24 CFR 576.21 (a)(4) pertaining to the limitations on the funding of
8 homeless prevention assistance.

9 33. PARTICIPATION OF HOMELESS. SUBRECIPIENT will, to the maximum
10 extent practicable, provide for the involvement of homeless individuals and families in the
11 policymaking, renovation, maintaining, and operating of facilities assisted under the ESG
12 program as provided by 24 CFR 576.56.

13 34. JURISDICTION AND VENUE. This Agreement shall be governed by the
14 laws of the State of California. Any action at law or in equity arising under this Agreement or
15 brought by a party hereto for the purpose of enforcing, construing or determining the validity
16 of any provision of this Agreement shall be filed in the Riverside County, State of California.

17 35. SEVERABILITY. Each paragraph and provision of this Agreement is severable
18 from each other provision, and if any provision or part thereof is declared invalid, the
19 remaining provisions shall remain in full force and effect.

20 36. WAIVER. Failure by a party to insist upon the strict performance of any of the
21 provisions of this Agreement by the other party, or the failure by a party to exercise its rights
22 upon the default of the other party, shall not constitute a waiver of such party's rights to insist
23 and demand strict compliance by the other party with the terms of this Agreement thereafter.

24 37. ENTIRE AGREEMENT. This Agreement is intended by the parties hereto as
25 the final and exclusive expression of the provisions contained in this Agreement and it
26 supersedes and replaces any and all prior and contemporaneous agreements and
27 understandings, oral or written, in connection therewith. This Agreement may be modified or
28 changed only upon the written consent of the parties hereto.

1 IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals this
2 day and year first above written.

3
4 **COUNTY OF RIVERSIDE**

«SPONSOR»

5
6 By: _____
7 Robert Field
8 Assistant County Executive Officer/EDA

By: _____

9 Date: _____

Date: _____

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11 SH:JT:mmv

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16 FORM APPROVED COUNTY COUNSEL

17 BY: Michelle Clack 6/21/10
MICHELLE CLACK DATE

**EMERGENCY SHELTER GRANT
EXHIBIT "A"**

Subrecipient: «Sponsor»
Address: «Address», «City», «State» «Zip»
Project Title: «Project_Name»
Location: «Project_Location»

Scope of Service: «Description_1» «Description_2» «Description_3»

Performance Measurements Outcome Statement:

Objective

- Creating Suitable Living Environment
- Providing Decent Housing
- Creating Economic Opportunity

Outcome

- Availability/Accessibility
- Affordability
- Sustainability

Project Budget:

	<u>MATCH</u>	<u>ESGP Approved</u>
1) Maintenance/Operation	\$ _____	«GrantedOM»
2) Administration	\$ _____	\$ _____
3) Essential Services	\$ _____	«GrantedES»
TOTAL		«ESGGrantedFunding»

Sources of Local Match:

	08-09	09-10

Special Conditions:

1. Change in Matching Funds

Subrecipient will notify EDA within thirty (30) days of any change in match funding, and must acknowledge that sub-recipient is required to match dollar-for-dollar in the funding amounts for the full term of the grant period, 2010-2011.

2. Final Reimbursement

Unless approved by EDA in writing, all final requests for reimbursement of authorized ESG expenditures under this 2010-2011 Emergency Shelter Grant must be submitted to EDA no later May 28, 2011.