

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



ITEM
10.1
(ID # 3703)

MEETING DATE:

Tuesday, April 11, 2017

FROM : HOUSING AUTHORITY:

SUBJECT: HOUSING AUTHORITY: Sub-Recipient Agreement for the Use of HOME Funds for the Security Deposit Assistance Program , All Districts, [\$150,000], HOME Investment Partnership Act Funds 100%; CEQA Exempt

RECOMMENDED MOTION: That the Board of Commissioners:

1. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061 (b)(3);
2. Approve the attached Sub-Recipient Agreement for the Use of HOME Funds for the Security Deposit Assistance Program, including all exhibits (Sub-Recipient Agreement) with a grant amount not to exceed \$150,000, between the County of Riverside as the participating jurisdiction and Housing Authority of the County of Riverside as sub-recipient, with a 36 month term;
3. Authorize the Chairman of the Board of Commissioners to execute the attached Sub-Recipient Agreement;
4. Authorize the Executive Director, or designee, to take all necessary steps to implement the Sub-Recipient Agreement including, but not limited to, signing subsequent essential and relevant documents, subject to approval by County Counsel; and

ACTION: Policy

Robert Field, Assistant County Executive Officer/EDA

3/6/2017

MINUTES OF THE BOARD OF COMMISSIONERS

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

Ayes: Jeffries, Tavaglione, Washington and Ashley
Nays: None
Absent: None
Date: April 11, 2017
xc: Housing Authority

Kecia Harper-Ihem
Clerk of the Board

By:
Deputy

10.1

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COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 30,000	\$ 120,000	\$ 150,000	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: HOME Investment Partnership Act fund 100%			Budget Adjustment:	No
			For Fiscal Year:	
			2016/17	

C.E.O. RECOMMENDATION: Approve

- Direct staff to file a Notice of Exemption with the County Clerk within five days of the approval of the Sub-Recipient Agreement.

BACKGROUND:

Summary

The Housing Authority of the County of Riverside (Housing Authority) has requested a grant of HOME Investment Partnerships Act (HOME) funds from the County of Riverside (County) in the amount of \$150,000 to fund the Housing Authority's Security Deposit Assistance (SDA) program. The goal of the SDA program is to remove the initial barrier that individuals and families encounter as they attempt to find and secure suitable, decent housing to rent. The SDA program is designed to provide very low-income individuals and families earning no more than 50% of the area median income a one-time grant to help pay for the security deposit.

Eligible participants will include participants in the following Housing Authority programs: Section 8 Housing Choice Voucher Program; Veterans Affairs Supportive Housing (VASH) Program; Shelter Plus Care; Homeless Prevention and Rapid Rehousing (HPRP); or any other programs administered by the Housing Authority; and households that desire to rent units owned by the Riverside Community Housing Corp, a non-profit affiliate of the Housing Authority.

New participants in the Housing Authority programs must either have recently been selected from the waiting list, have an approved Section 8 Voucher, are in the process of finding a unit to rent, or have received an approval letter through one of the Housing Authority's other programs. Existing participants in the various Housing Authority programs mentioned above may only be eligible if the owner of the unit they are currently residing in has elected to sell the property or the existing participant is experiencing an unforeseen emergency that they have not caused.

It is anticipated that this program would benefit approximately 190 families at an average cost of \$800 per family. Once a family moves from the unit, the family retains the deposit amount to assist them with the relocation process. The maximum grant per family is limited to no more than one month's rent of the Section 8 contract rent. The Housing Authority will provide in-kind contributions in the form of staff support, program supplies, and transportation costs.

The proposed agreement between the Housing Authority and the County providing for a grant of HOME funds in the amount of \$150,000 to fund the Housing Authority's SDA program is

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COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

memorialize in the attached Sub-Recipient Agreement for the Use of HOME Funds for The Security Deposit Assistance Program, including exhibits (Sub-Recipient Agreement). The term of the Sub-Recipient Agreement is 36 months.

Pursuant to the California Environmental Quality Act (CEQA), the proposed Sub-Recipient Agreement (Project) was reviewed and determined to be categorical exempt from CEQA under State CEQA Guideline Section 15061(b)(3), "General Rule" or "Common Sense" exemption. It can be seen with certainty that there is no possibility that the Project may have a significant effect on the environment since it's merely an allocation of HOME funds to fund, operate and administer the SDA program to assist very low income residents in obtaining access to housing, and will only have administrative and financial effects. A notice of exemption will be filed by County staff with the County Clerk within 5 days of approval of the proposed Sub-Recipient Agreement.

County Counsel has reviewed and approved the attached Sub-Recipient Agreement as to form. Staff recommends that the Board of Commissioners approve the attached Sub-Recipient Agreement.

Impact on Residents and Businesses

Approving this item will have a positive impact on the citizens and businesses of Riverside County. The objectives of the program are to remove the initial barrier that individuals and families encounter as they attempt to find and secure suitable, decent housing to rent, promote housing stability and self-sufficiency.

Additional Fiscal Information

No impact upon the County's General Fund. The County's contribution to the SDA program will be fully funded with HOME Investment Partnerships Act funds from the U.S. Department of Housing and Urban Development (HUD).

Attachments:

- A-Sub-Recipient Agreement
- B-Notice of Exemption

RF:JW:HM:JA:JG 13507 MT 3703
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SUBMITTAL TO THE BOARD OF COMMISSIONERS HOUSING AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA


Rohini Dasika, Principal Management Analyst

4/3/2017


Gregory E. Priamos, Director County Counsel

3/23/2017

**SUB-RECIPIENT AGREEMENT FOR THE USE OF HOME FUNDS
FOR THE SECURITY DEPOSIT ASSISTANCE PROGRAM**

This Sub-Recipient Agreement for the use of HOME funds for the Security Deposit Assistance Program ("Agreement") is made and entered into this 11th day of April, 2017 by and between the COUNTY OF RIVERSIDE ("COUNTY"), a political subdivision of the State of California and the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE ("SUB-RECIPIENT"), a public entity, corporate and politic ("SUB-RECIPIENT"). The COUNTY and SUB-RECIPIENT may be individually referred to herein as a "Party" and collectively as the "Parties."

RECITALS:

WHEREAS, the Home Investment Partnerships Act (HOME) Program, which was enacted under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990 ("Act"), has as its purposes: to expand the supply of decent, affordable housing for low- and very-low income families; to build state and local capacity to carry out affordable housing programs; and to provide for coordinated assistance to participants in the development of affordable low-income housing;

WHEREAS, COUNTY has qualified as an "Urban County" for purposes of receiving HOME funds which are to be used to assist and undertake essential housing assistance activities pursuant to the Act;

WHEREAS, SUB-RECIPIENT is eligible under the Act to apply and receive HOME funds and to perform those activities described herein;

WHEREAS, HOME-assisted activities described herein comply with the objectives as required under 24 CFR Part 92;

WHEREAS, HOME-assisted activities described herein are consistent with COUNTY's Five-Year Consolidated Plan; and

WHEREAS, the Parties desire to enter into this Agreement to provide for the grant of HOME funds from COUNTY to SUB-RECIPIENT in the approximate

APR 11 2017 10.1

1 amount of \$150,000 for use in connection with SUB-RECIPIENT's Security Deposit
2 Assistance program as more specifically set forth below.

3 **NOW, THEREFORE, COUNTY and SUB-RECIPIENT mutually agree as**
4 **follows:**

5 1. PURPOSE. COUNTY shall grant One Hundred Fifty Thousand
6 Dollars (\$150,000) derived from HOME funds ("HOME Grant") to SUB-RECIPIENT
7 upon the terms and conditions set forth herein to partially fund SUB-RECIPIENT's
8 Security Deposit Assistance Program ("SDA Program"). The SUB-RECIPIENT shall
9 use the HOME Grant to provide security deposit assistance to very low-income
10 households (as defined in Section 14) that meet the eligibility requirements as described
11 in more detail in **Exhibit A** which is attached hereto and incorporated herein by this
12 reference.

13 2. TERM OF AGREEMENT. This Agreement shall become effective
14 upon the Effective Date, as defined in Section 36, and shall continue in full force and
15 effect for a period of thirty six (36) months ("Term"). All HOME funds must be expended
16 by SUB-RECIPIENT within thirty six (36) months from the Effective Date of this
17 Agreement.

18 3. SUB-RECIPIENT'S OBLIGATIONS: SUB-RECIPIENT shall
19 complete the following activities during the term of this Agreement, subject to its receipt
20 of the HOME Grant:

- 21 a. Use HOME Grant solely for payment of necessary and
22 reasonable eligible costs as described at 24 CFR 92.206.
- 23 b. Conduct all necessary due diligence, review and verification
24 needed to complete the SDA Program application, as shown
25 in **Exhibit B**, which is attached hereto and incorporated
26 herein by this reference.
- 27 c. Provide funding to eligible participants of the SDA Program,
28 perform move-in inspections and certify that the housing unit

1 meets Section 8 Housing Quality Standards (HQS) prior to
2 approving the SDA Program application.

3 d. Operate the SDA Program within the cities that participate in
4 the COUNTY's CDBG program. Eligible areas include the
5 unincorporated areas of the COUNTY and the following
6 cooperating cities: Banning, Beaumont, Blythe, Canyon
7 Lake, Coachella, Desert Hot Springs, Eastvale, Indian Wells,
8 La Quinta, Murrieta, Norco, San Jacinto, Wildomar, and
9 including the City of Jurupa Valley.

10 e. Provide supportive services that support self-sufficiency for
11 SDA Program participants.

12 f. Monitor the SDA Program to ensure compliance as SUB-
13 RECIPIENT under the applicable federal HOME regulations
14 set forth at 24 CFR Part 92 and the terms of this Agreement.

15 g. The SUB-RECIPIENT must have written agreements with all
16 the landlords participating in the SDA Program by which the
17 SUB-RECIPIENT can enforce the necessary HOME
18 provisions and cross cutting regulations applying to the SDA
19 Program.

20 h. The SUB-RECIPIENT must adopt written tenant/project
21 participant selection policies and criteria clearly specifying
22 how families to be assisted will be selected. A copy of the
23 written tenant selection policy must be provided to the
24 COUNTY within thirty (30) days of the Effective Date of this
25 Agreement and must address the following:

26 (i) Are consistent with purpose of the providing
27 housing for very low-income families;
28

1 (ii) Are reasonable related to program eligibility and
2 the applicant's ability to perform obligations of a
3 lease;

4 (iii) Provide selection of tenants from a written waiting
5 list in the chronological order of their application,
6 insofar as practicable; and

7 (iv) Provide for written notification to any rejected
8 applicant with an explanation supporting such
9 rejection.

10 i. SUB-RECIPIENT must adopt written outreach strategies. A
11 copy of the written outreach strategies must be provided to
12 the COUNTY within thirty (30) days of the Effective Date of
13 the Agreement. Failure of SUB-RECIPIENT to comply with
14 these and all other terms of the Agreement may result in
15 suspension or termination of this Agreement.

16 j. SUB-RECIPIENT must establish a policy regarding moves
17 and termination of leases and make that policy available to
18 tenants to review. Landlords may terminate the tenancy of
19 the lease/rental agreement only for violation of the terms and
20 conditions of the lease/rental agreement or for violation of
21 applicable federal, state or local law. The landlord must
22 provide the tenant with written notice of the termination and
23 notify the SUB-RECIPIENT in writing. Failure of SUB-
24 RECIPIENT to comply with these and all other terms of the
25 Agreement may result in suspension or termination of this
26 Agreement.

27 4. COUNTY'S OBLIGATIONS: COUNTY hereby agrees to undertake
28 and complete the following activities, subject to its receipt of sufficient HOME funds from

1 U.S. Department of Housing and Urban Development ("HUD"):

2 a. Provide the total amount of HOME funds identified in Section
3 1 to SUB-RECIPIENT for financing of eligible participants of
4 the SDA Program.

5 b. Comply with all of its obligations as participating jurisdiction
6 under the applicable regulations set forth at 24 CFR Part 92.

7 5. PRIOR COUNTY APPROVAL. SUB-RECIPIENT shall obtain
8 COUNTY's approval, through its Economic Development Agency ("EDA"), of all items
9 requiring such approvals as described in this Agreement.

10 6. Intentionally Blank

11 7. EXTENSION OF TERM. COUNTY may grant an extension of the
12 TERM for the purpose of allowing SUB-RECIPIENT to complete activities permitted
13 under this Agreement. SUB-RECIPIENT shall request said extension in writing, stating
14 the reasons therefore. Upon receiving such written request for extension of the Term,
15 the COUNTY's Assistant County Executive Officer/EDA or designee, shall have the
16 right, on behalf of the COUNTY, to grant or deny such extension request, in its
17 reasonable discretion. In the even an request for extension is approved in writing by the
18 COUNTY's Assistant County Executive Officer/EDA or designee, this Agreement shall
19 be amended by the Parties, without the need to obtain Board of Supervisor's approval,
20 to reflect such extension of the Term. Every term, condition, covenant, and requirement
21 of this Agreement shall continue in full force and effect during the period of any such
22 extension.

23 8. Intentionally Blank

24 9. REALLOCATION OF FUNDS. If substantial progress toward
25 completion, as determined by COUNTY, of the activity is not made in accordance with
26 the completion schedule specified, the funds allocated, reserved, or placed in a HOME
27 Investment Trust Fund may be reallocated by COUNTY after at least sixty (60) days'
28 prior written notice is given to SUB-RECIPIENT.

1 10. CONDITIONS FOR DISPOSITION OF FUNDS. COUNTY, through
2 its EDA, shall: (1) make payments of the HOME funds to SUB-RECIPIENT as
3 designated in **Exhibit A**, and (2) monitor the SDA Program to ensure compliance with
4 applicable federal, state and local laws, regulations ordinances and the terms of this
5 Agreement.

6 11. DISTRIBUTION OF FUNDS. The HOME Investment Trust Fund
7 account established in the United States Treasury is managed through the U.S.
8 Department of Housing and Urban Development (HUD), Integrated Disbursement and
9 Information System (IDIS) for the HOME Investment Partnerships Program. The IDIS
10 System is a computerized system which manages, disburses, collects, and reports
11 information on the use of HOME funds in the United States Treasury Account. Any
12 disbursement of funds is expressly conditioned upon the satisfaction of conditions set
13 forth in **Section 3** and **Section 10** and the satisfactory receipt of copies of the SDA
14 Program Application for each recipient. COUNTY shall pay SUB-RECIPIENT the sum
15 specified in **Section 1** above on a "cost-as-incurred" basis for all eligible approved costs
16 shown in **Exhibit A**.

17 12. FINANCIAL RECORDS. SUB-RECIPIENT shall maintain financial,
18 programmatic, statistical, and other supporting records of its operations and financial
19 activities in accordance with the requirements of the HOME Investment Partnerships
20 Program Final Rule, and the regulations as amended promulgated thereunder, which
21 records shall be open to inspection and audit by authorized representatives of
22 COUNTY, HUD, and the Comptroller General of the United States during regular
23 working hours. COUNTY, HUD, and the Comptroller General, or any of their
24 representatives, have the right of access to any pertinent books, documents, papers, or
25 other records of SUB-RECIPIENT, in order to make audits, examinations, excerpts, and
26 transcripts. Said records shall be retained for such time as may be required by the
27 regulations of the HOME Program, but in no case for less than five years after the SDA
28 Program completion date; except that records of individual income verifications, and

1 inspections must be retained for the most recent five year period, until five years after
2 the affordability period terminates. If any litigation, claim, negotiation, audit, or other
3 action has been started before the expiration of the regular period specified, the records
4 must be retained until completion of the action and resolution of all issues which arise
5 from it, or until the end of the regular period, whichever is later.

6 13. COMPLIANCE WITH LAWS AND REGULATIONS. By executing
7 this Agreement, SUB-RECIPIENT hereby certifies that it will adhere to and comply with
8 all federal, state and local laws and regulations, and in particular, with the following as
9 they may be applicable to SUB-RECIPIENT's use of funds granted pursuant to the
10 HOME Investment Partnerships Program as enacted under Title II of the Act:

11 a. The HOME Investment Partnerships Program and its implementing
12 regulations set forth as Title 24 of the Code of Federal Regulations
13 (CFR) Part 92, as it now exists and may hereafter be amended.

14 b. 24 CFR 92.350 Other Federal requirements and non discrimination.
15 As set forth in 24 CFR part 5, sub part A, SUB-RECIPIENT is
16 required to include the following requirements in the SDA Program:
17 nondiscrimination and equal opportunity under Section 282 of the
18 Act; disclosure; debarred, suspended or ineligible contractors; and
19 drug-free workplace.

20 c. 24 CFR 92.351 Affirmative marketing and minority outreach
21 program. SUB-RECIPIENT must adopt affirmative marketing
22 procedures and requirements. These must include:

23 (1) Methods for informing the public, owners, and potential
24 tenants about Federal fair housing laws and the affirmative
25 marketing policy (e.g., the use of the Equal Housing
26 Opportunity logotype or slogan in press releases and
27 solicitations for owners, and written communication to fair
28 housing and other groups).

- 1 (2) Requirements and practices that SUB-RECIPIENT must
2 adhere to in order to carry out the affirmative marketing
3 procedures and requirements (e.g., use of commercial
4 media, use of community contacts, use of the Equal Housing
5 Opportunity logotype or slogan, and display of fair housing
6 poster).
- 7 (3) Procedures to be used by SUB-RECIPIENT to inform and
8 solicit applications from persons in the housing market area
9 who are not likely to apply without special outreach (e.g., use
10 of community organizations, employment centers, fair
11 housing groups, or housing counseling agencies).
- 12 (4) Records that will be kept describing actions taken by SUB-
13 RECIPIENT to affirmatively market units and records to
14 assess the results of these actions.
- 15 (5) A description of how SUB-RECIPIENT will annually assess
16 the success of affirmative marketing actions and what
17 corrective actions will be taken where affirmative marketing
18 requirements are not met.
- 19 d. 24 CFR 92.352 Environmental review. The environmental effects
20 of each activity carried out with HOME funds must be assessed in
21 accordance with the provisions of the National Environmental
22 Policy Act of 1969 (NEPA) (42 U.S.C. 4321) and the related
23 authorities listed in HUD's implementing regulations at 24 CFR
24 Parts 50 and 58.
- 25 e. 24 CFR 92.353 Displacement, relocation, and acquisition. The
26 relocation requirements of Title II and the acquisition requirements
27 of Title III of the Uniform Relocation Assistance and Real Property
28 Acquisition Policies Act of 1970, and the implementing regulations

1 at 24 CFR Part 42. SUB-RECIPIENT must ensure that it has taken
2 all reasonable steps to minimize the displacement of persons as a
3 result of the SDA Program assisted with HOME Funds.

4 f. 24 CFR 92.355 Lead-based paint. Housing assisted with HOME
5 funds is subject to the lead-based paint requirements of 24 CFR
6 Part 35 issued pursuant to the Lead-Based Paint Poisoning
7 Prevention Act (42 U.S.C. 4821-4846). The lead-based paint
8 provisions of 24 CFR 982.401 (j), also apply, irrespective of the
9 applicable property standard under 24 CFR 92.251.

10 g. 24 CFR 92.356 Conflict of Interest. In the procurement of property
11 and services by SUB-RECIPIENT, the conflict of interest provisions
12 in 24 CFR 92.356 shall apply.

13 h. Section 3 of the Housing and Urban Development Act of 1968. To
14 the greatest extent feasible, opportunities for training and
15 employment arising from HOME Funds will be provided to low-
16 income persons residing in the program service area. To the
17 greatest extent feasible, contracts for work to be performed in
18 connection with HOME Funds will be awarded to business
19 concerns that are located in or owned by persons residing in the
20 program service area. Contracts funded from Section 3 covered
21 funding sources must abide by the Section 3 Clause prescribed at
22 24 CFR 135.38.

23 i. 24 CFR 92.358 Consultant Activities. No person providing
24 consultant services in an employer-employee type relationship shall
25 receive more than a reasonable rate of compensation for personal
26 services paid with HOME funds.

27 j. SUB-RECIPIENT shall carry out its activity pursuant to this
28 Agreement in compliance with all federal laws and regulations

1 described in Subpart E of Part 92 of the Code of Federal
2 Regulations, except that:

3 (1) SUB-RECIPIENT does not assume COUNTY'S
4 environmental responsibilities described at 24 CFR 92.352;
5 and

6 (2) SUB-RECIPIENT does not assume COUNTY'S
7 responsibility for initiating the review process under the
8 provisions of 24 CFR 92.352.

9 k. Uniform Administrative Requirements of 24 CFR 92.505, 24 CFR
10 Part 84 and 24 CFR Part 85 "Common Rule", OMB Circular Nos. A-
11 87 (for government entities), and A-122 (for non-profit
12 organizations).

13 14. INCOME TARGETING REQUIREMENTS. SUB-RECIPIENT will
14 provide funds to participants that qualify as very low-income households defined as
15 households whose incomes do not exceed fifty percent (50%) of the area median
16 income for the County of Riverside, adjusted by family size, at the time of occupancy, as
17 determined by HUD.

18 15. FEDERAL REQUIREMENTS. SUB-RECIPIENT shall comply with
19 the provisions of the Act and any amendments thereto and the federal regulations and
20 guidelines now or hereafter enacted pursuant to the Act.

21 16. REPAYMENT INCOME. COUNTY must record the receipt and
22 expenditure of HOME repayment income in accordance with the standards specified in
23 24 CFR 92.503.

24 17. NONDISCRIMINATION. SUB-RECIPIENT shall abide by 24 CFR
25 570.602 and 24 CFR 570.912 of Title 24 of the Federal Code of Regulations, which
26 require that no person in the United States shall, on the grounds of race, color, religion,
27 national origin, or sex, be excluded from participation in, be denied the benefits of, or be
28 subjected to discrimination under any program or activity funded in whole or in part with

1 Community Development funds.

2 18. PROHIBITION AGAINST CONFLICTS OF INTEREST

3 a. SUB-RECIPIENT and its assigns, employees, agents,
4 consultants, officers and elected and appointed officials shall
5 become familiar with and shall comply with the conflict of
6 interest provisions in OMB Circular A-110, , 24 CFR 92.356
7 and Policy Manual #A-11, attached hereto as **Exhibit C** and
8 incorporated herein by this reference.

9 b. SUB-RECIPIENT understands and agrees that no waiver or
10 exception can be granted to the prohibition against conflict of
11 interest except upon written approval of HUD pursuant to 24
12 CFR 92.356(d). Any request by SUB-RECIPIENT for an
13 exception shall first be reviewed by COUNTY to determine
14 whether such request is appropriate for submission to HUD.
15 In determining whether such request is appropriate for
16 submission to HUD, COUNTY will consider the factors listed
17 in 24 CFR 92.356(e).

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

28 d. Any violation of this section shall be deemed a material

1 breach of this Agreement shall be immediately terminated by
2 COUNTY.

3 19. RELIGIOUS ACTIVITIES. Under federal regulation 24 CFR
4 92.257, HOME funds may not be provided to primarily religious organizations, such as
5 churches, for any activity including secular activities. In addition, HOME funds may not
6 be used to rehabilitate or construct housing owned by primarily religious organizations
7 or to assist primarily religious organizations in acquiring housing. However, HOME
8 funds may be used by a secular entity to acquire housing from a primarily religious
9 organization, and a primarily religious entity may transfer title to property to a wholly
10 secular entity and the entity may participate in the HOME program in accordance with
11 the requirements set forth at 24 CFR 92.257. The entity may be an existing or newly
12 established entity, which may be an entity established by the religious organization.
13 The Security Deposit Assistance Program must be used exclusively by SUB-
14 RECIPIENT for secular purposes, available to all persons regardless of religion. In
15 particular, there must be no religious or membership criteria for tenants of the property.

16 20. PROGRAM MONITORING AND EVALUATION. SUB-RECIPIENT
17 shall maintain financial, programmatic, statistical and other supporting records of its
18 operations and financial activities in accordance with the requirements of the HOME
19 Program under 24 CFR 92.508. Except as otherwise provided for in this Agreement,
20 SUB-RECIPIENT shall maintain and submit records to COUNTY within ten business
21 days of COUNTY's request which clearly documents SUB-RECIPIENT's performance
22 under each requirement of the HOME Documents. A list of document submissions and
23 timeline are shown in **Exhibit A** and such list may be amended from time to time
24 subject to HUD and COUNTY reporting requirements.

25 21. EVENTS OF DEFAULT. The occurrence of any of the following
26 events shall constitute an "Event of Default" under this Agreement:

- 27 a. Monetary Default. (1) SUB-RECIPIENT's use of HOME
28 funds for uses inconsistent with terms and restrictions set

1 forth in this Agreement;

2 b. Non-Monetary Default - Operation. (1) Discrimination by
3 SUB-RECIPIENT on the basis of characteristics prohibited
4 by this Agreement or applicable law; (2) any material
5 adverse change in the condition of SUB-RECIPIENT that
6 gives COUNTY reasonable cause to believe that the SDA
7 Program cannot be operated according to the terms of this
8 Agreement;

9 c. Bankruptcy, Dissolution and Insolvency. SUB-RECIPIENT's
10 (1) filing for bankruptcy, dissolution, or reorganization, or
11 failure to obtain a full dismissal of any such involuntary filing
12 brought by another party before the earlier of final relief or
13 sixty (60) days after such filing; (2) making a general
14 assignment for the benefit of creditors; (3) applying for the
15 appointment of a receiver, trustee, custodian, or liquidator, or
16 failure to obtain a full dismissal of any such involuntary
17 application brought by another party before the earlier of
18 final relief or sixty (60) days after such filing; (4) insolvency;
19 or (5) failure, inability or admission in writing of its inability to
20 pay its debts as they become due.

21 22. NOTICE OF DEFAULT AND OPPORTUNITY TO CURE. For
22 monetary and non-monetary events of default, COUNTY shall give written notice to
23 SUB-RECIPIENT, of any Event of Default by specifying: (a) the nature of the event of
24 default or the deficiency giving rise to the default, (b) the action required to cure the
25 deficiency, if an action to cure is possible, and (c) a date, which shall not be less than
26 ninety (90) calendar days from the mailing of the notice, by which such action to cure
27 must be taken. COUNTY agrees that SUB-RECIPIENT and any beneficiary permitted
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1 by this Agreement (collectively, the "Interested Parties") shall have the right to cure any
2 and all defaults under this Agreement.

3 23. COUNTY REMEDIES. Upon the happening of an Event of Default
4 and a failure by SUB-RECIPIENT or other Interested Party to cure said default within
5 the time specified in the notice of default (if an action to cure is specified in said notice),
6 COUNTY's obligation to disburse HOME funds shall terminate, and COUNTY may also
7 in addition to other rights and remedies permitted by this Agreement or applicable law,
8 proceed with any or all of the following remedies in any order or combination COUNTY
9 may choose in its sole discretion:

- 10 a. Terminate this Agreement;
- 11 b. Bring an action in equitable relief (1) seeking the specific
12 performance by SUB-RECIPIENT of the terms and
13 conditions of this Agreement, and/or (2) enjoining, abating,
14 or preventing any violation of said terms and conditions,
15 and/or (3) seeking declaratory relief; and
- 16 c. Pursue any other remedy allowed at law or in equity.

17 24. Intentionally Blank

18 25. SUB-RECIPIENT'S WARRANTIES. SUB-RECIPIENT represents
19 and warrants (1) that it is duly organized, validly existing and in good standing under the
20 laws of the State of California, (2) that it has the full power and authority to undertake
21 the SDA Program and to execute this Agreement, (3) that the persons executing and
22 delivering this Agreement are authorized to execute and deliver such documents on
23 behalf of SUB-RECIPIENT and (4) that neither SUB-RECIPIENT nor any of its
24 principals is presently debarred, suspended, proposed for debarment, declared
25 ineligible, or voluntarily excluded from participation in connection with the transaction
26 contemplated by this Agreement.

27 26. SUB-RECIPIENT CERTIFIES: SUB-RECIPIENT certifies to the
28 best of its knowledge and belief, that:

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- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, review, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that SUB-RECIPIENT shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into.

1 27. HOLD HARMLESS AND INDEMNIFICATION. SUB-
2 RECIPIENT and COUNTY agree to indemnify, defend, and hold harmless the other
3 Party and its authorized officers, employees, agents, and volunteers from any and all
4 claims, actions, losses, damages, and/or liability arising from either Party's acts, errors,
5 or omissions, and for any costs or expenses incurred by either Party on account of any
6 claim therefore, except where such indemnifications is prohibited by law. Each Party
7 shall promptly notify the other Party in writing of the occurrence of any such claims,
8 actions, losses, damages, and/or liability.

9 Each Party shall indemnify and hold harmless the other Party against any
10 liability, claims, losses, demands, and actions incurred by either Party as a result of the
11 determination by HUD or its successor that activities undertaken by either Party under
12 the program(s) fail to comply with any laws, regulations, or policies applicable thereto or
13 that any funds billed by and disbursed to either Party under this Agreement were
14 improperly expended.

15 28. TERMINATION.

16 a. SUB-RECIPIENT. SUB-RECIPIENT may terminate this
17 Agreement consistent with the Act, and the regulations
18 consistent implementing the Act.

19 b. COUNTY. COUNTY may suspend or terminate this
20 Agreement upon written notice to SUB-RECIPIENT of the
21 action being taken and the reason for such action:

22 (1) In the event SUB-RECIPIENT fails to perform the
23 covenants herein contained at such times and in such
24 manner as provided in this Agreement after the
25 applicable notice and cure provision hereof; or

26 (2) In the event there is a conflict with any federal, state
27 or local law, ordinance, regulation or rule rendering
28 any of the provisions of this Agreement invalid or

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untenable; or

(3) In the event the funding from HUD referred to in Section 1 above is terminated or otherwise becomes unavailable.

c. Notwithstanding anything to the contrary contained herein, this Agreement may be terminated or funding suspended in whole or in part for cause in accordance with the Act. Cause shall be based on the failure of SUB-RECIPIENT to materially comply with either the terms or conditions of this Agreement after the applicable notice and cure provision hereof. Upon suspension of funding, SUB-RECIPIENT agrees not to incur any costs related thereto, or connected with, any area of conflict from which COUNTY has determined that suspension of funds is necessary. The award may be terminated for convenience in accordance with the Act.

d. Upon termination of this Agreement, SUB-RECIPIENT shall transfer to COUNTY any HOME funds on hand at the time of termination of the Agreement as well as any accounts receivable held by SUB-RECIPIENT which are attributable to the use of HOME funds awarded pursuant to this Agreement.

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

30. SEVERABILITY. Each paragraph and provision of this Agreement is severable from each other provision, and if any provision or part thereof is declared

1 invalid, the remaining provisions shall nevertheless remain in full force and effect.

2 31. MINISTERIAL ACTS. On behalf of the COUNTY, the Assistant
3 County Executive Officer/EDA, or designee(s), are authorized to take such ministerial
4 actions as may be necessary or appropriate to implement the terms, provisions, and
5 conditions of this Agreement as it may be amended from time to time by COUNTY. On
6 behalf of the SUB-RECIPIENT, the Executive Director, or designee(s), are authorized to
7 take such ministerial actions as may be necessary or appropriate to implement the
8 terms, provisions, and conditions of this Agreement as it may be amended from time to
9 time by SUB-RECIPIENT.

10 32. MODIFICATION OF AGREEMENT. COUNTY or SUB-RECIPIENT
11 may consider it in its best interest to change, modify or extend a term or condition of this
12 Agreement. Any such change, extension or modification, which is mutually agreed
13 upon by COUNTY and SUB-RECIPIENT shall be incorporated in written amendments
14 to this Agreement. Such amendments shall not invalidate this Agreement, nor relieve or
15 release COUNTY or SUB-RECIPIENT from any obligations under this Agreement,
16 except for those parts thereby amended. No amendment to this Agreement shall be
17 effective and binding upon the parties, unless it expressly makes reference to this
18 Agreement, is in writing and is signed and acknowledged by duly authorized
19 representatives of all parties.

20 33. Intentionally Blank

21 34. NOTICES. All notices, requests, demands and other
22 communication required or desired to be served by either party upon the other shall be
23 addressed to the respective parties as set forth below or the such other addresses as
24 from time to time shall be designated by the respective parties and shall be sufficient if
25 sent by United States first class, certified mail, postage prepaid, or express delivery
26 service with a receipt showing the date of delivery:
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<u>COUNTY</u>	<u>SUB-RECIPIENT</u>
County of Riverside	Housing Authority of the
Economic Development Agency	County of Riverside
5555 Arlington Avenue	5555 Arlington Avenue
Riverside, CA 92504	Riverside, CA 92504
Att: Deputy Director of Housing	Att: Deputy Executive Director

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

36. EFFECTIVE DATE. The effective date of this Agreement is the date the parties execute this Agreement. If the parties execute this Agreement on more than one date, then the last date this Agreement is executed by a party shall be the effective date.

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[Signatures on Following Page]

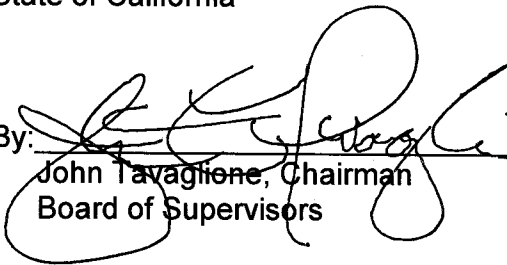
1 **IN WITNESS WHEREOF**, COUNTY and SUB-RECIPIENT have executed this
2 Agreement as of the dates set forth below.

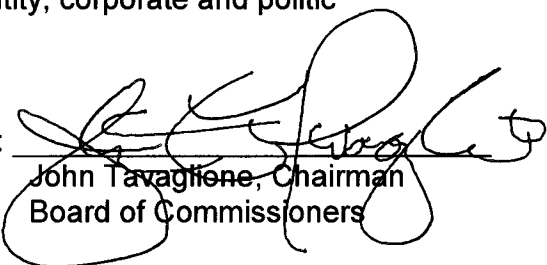
3
4 COUNTY:

SUB-RECIPIENT:

5 COUNTY OF RIVERSIDE,
6 a political subdivision of the
7 State of California

HOUSING AUTHORITY OF THE
COUNTY OF RIVERSIDE, a public
entity, corporate and politic

8
9 By: 
10 John Tavaglione, Chairman
11 Board of Supervisors

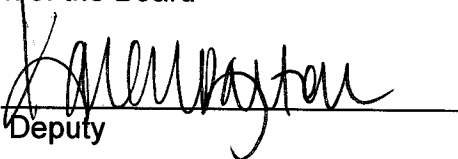
By: 
John Tavaglione, Chairman
Board of Commissioners

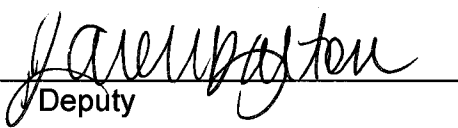
12
13 Date: APR 11 2017

Date: APR 11 2017

14
15 ATTEST:
16 KECIA HARPER-IHEM
17 Clerk of the Board

ATTEST:
KECIA HARPER-IHEM
Clerk of the Board

18 By: 
19 Deputy

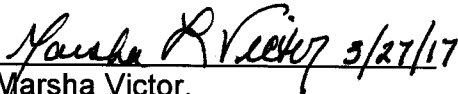
By: 
Deputy

20
21 APPROVED AS TO FORM:

APPROVED AS TO FORM:

22 Gregory P. Priamos
23 COUNTY Counsel

Gregory P. Priamos
COUNTY Counsel

24
25 By:  3/27/17
26 Marsha Victor,
27 Chief Deputy County Counsel

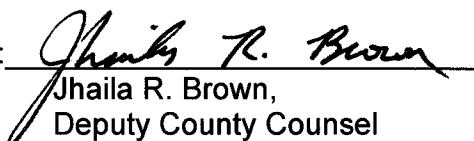
By: 
Jhaila R. Brown,
Deputy County Counsel

EXHIBIT A

Agreement: Sub-Recipient Agreement for the Use of HOME Funds for the Security Deposit Assistance Program (Agreement)

SUB-RECIPIENT: Housing Authority of the County of Riverside
Address: 5555 Arlington Avenue, Riverside, CA 92504
Program: Security Deposit Assistance (SDA Program) Program
Location: Eligible areas include the unincorporated areas of the COUNTY and the following cities: Banning, Beaumont, Blythe, Canyon Lake, Coachella, Desert Hot Springs, Eastvale, Indian Wells, La Quinta, Murrieta, Norco, San Jacinto, Wildomar, and city of Jurupa Valley.

Description:

The Housing Authority of the County of Riverside (SUB-RECIPIENT) intends to use \$150,000 in HOME funds to fund the Security Deposit Assistance program (SDA program). The goal of the SDA program is to remove the initial barrier that individuals and families encounter as they attempt to find and secure a suitable, decent housing to rent. The SDA program is designed to provide very low-income individuals and families earning no more than 50% of the area median income a one-time grant to pay for the security deposit. The objectives of the SDA Program are to support self-sufficiency and promote housing stability for very low income households in County of Riverside.

The grant will be made to SUB-RECIPIENT on a "cost-as-incurred" basis for all eligible approved costs under this Agreement. It is anticipated that the SDA program will benefit approximately 190 households at an average cost of \$800 per household. The SUB-RECIPIENT will provide in-kind contributions in the form of staff support, program supplies, and transportation costs.

The SDA Program will have the following eligibility requirements:

1. Eligible participants will include participants in the following SUB-RECIPIENT programs: Section 8 Housing Choice Voucher Program; Veterans Affairs Supportive Housing (VASH) Program; Shelter Plus Care; Homeless Prevention and Rapid Rehousing (HPRP); or any other programs administered by the SUB-RECIPIENT; and households that desire to rent units owned by the Riverside Community Housing Corp which is affiliated to the HACR;
2. Household income cannot exceed 50% median income as defined by the United States Department of Housing and Urban Development (HUD);
3. Rental units must be located in the unincorporated areas of the County of Riverside and the following cities: Banning, Beaumont, Blythe, Canyon Lake, Coachella, Desert Hot Springs, Eastvale, Indian Wells, La Quinta, Murrieta, Norco, San Jacinto, Wildomar, and city of Jurupa Valley; and
4. No significant criminal background issues that pose a threat to the community (Megan's Law registrants will be denied admission).

New participants in the SUB-RECIPIENT's programs must either have recently been selected from the waiting list, have an approved Section 8 Voucher or are in the process of finding a unit to rent or have received an approval letter through one of the SUB-RECIPIENT's other programs. Existing participants in the various SUB-RECIPIENT programs mentioned above

may only be eligible if the owner of the unit which participant is currently residing in has either (1) elected to sell the property, or (2) an unforeseen emergency exists that was not caused by the participant.

HOME Eligible Costs:

Eligible costs to be paid from HOME funds are limited to the following:

- a. Security Deposit Assistance, the maximum grant per family is limited to no more than an amount equal to one month's of full rent as set forth in the applicable lease or rental agreement.

Security Deposit Payment:

When a participant moves out of unit and there is a security deposit owed by the landlord to the participant, the SUB-RECIPIENT shall ensure that any security deposit provided under the SDA program must be refundable by the landlord to the SUB-RECIPIENT not to the tenant. The SUB-RECIPIENT may then elect to remit the recovered deposits to the tenant or use the funds to provide additional rental assistance in accordance with the SUB-RECIPIENT's established operating procedures. California state law prohibits landlords or property owners from requesting a security deposit greater than two (2) months of the total amount of the contract rent as a security deposit for an un-furnished unit.

The SUB-RECIPIENT shall submit to the County copies of the HUD Section 50058 approval Form and Security Deposit Assistance Program Application.

***SDA Program assistance may not be provided for overnight or temporary shelter.**

Security Deposit Assistance Program Funding:

Sources:

COUNTY HOME Grant \$ 150,000

Total Sources \$ **150,000**

EXHIBIT "B"

SDA Program Application

Security Deposit Assistance Program Application

Original Section 8 Admittance Date: _____

Date: _____ Housing Voucher or Certification #: _____

Phone: _____ Race Code: _____ Hispanic: Y ___ N ___

Address (including zip):
(address for which assistance is requested)

Landlord: _____

Head of Household Name & Address: _____

Move in date: _____ Household Income: \$ _____ (%) Section 8 Subsidy: _____

Monthly Rent: \$ _____ Tenant Contribution: \$ _____ Female Head of Household? Y ___ N ___

Total Tenant Payment: \$ _____ Size of Household: _____ Head of Household Code: _____

Amount Requested: _____ Security Deposit: _____ Payable To: _____

of Bdms: _____ New Contract? Y ___ N ___ Months in Contract w/ Tenant: _____ (1-24)

Under the Housing Authority of the County of Riverside Security Deposit Assistance Program, payment will be provided for the security deposit not to exceed 50% of the actual security deposit or half of the contract rent, whichever is less. Payment will be provided directly to the Landlord. This assistance is provided with the intent to provide rental assistance to the eligible Section 8 tenant; however the Riverside County Economic Development Agency is under no obligation to the tenant, the Landlord, or any other party until (1) the rental unit has passed inspection and meets housing quality standards (HQS); (2) the rental unit has been approved by the Housing Authority of the County of Riverside Section 8 program; (3) a Dwelling Lease Agreement and Housing Assistance Payment contract have been fully executed by all parties.

Head of Household Signature

(2) Head of Household Signature

I certify that the client's income has been verified as stated above and the property that assistance is applied for meets applicable property standards, according to Section 8. I also agree to make client records available upon request from EDA, Dept. of HUD, or other authorized agency. ATTACH COPY OF HUD FORM 50058.

Certified by _____ Date _____
Housing Authority Eligibility Specialist

Approved Denied _____ Date _____
Housing Authority Program Manager Official Signature

Reason or Denial _____

Race of Head of household Code

- 11 - White
- 12 - Black or African American
- 13 - Asian
- 14 - American Indian or Alaska Native
- 15 - Native Hawaiian or Other Pacific Islander
- 16 - American Indian or Alaska Native & White
- 17 - Asian & White 18 - Black or African American & White
- 19 - American Indian or Alaska Native & Black or African American
- 20 - Other Multi Racial

Head of Household Code

- 1 - Single/Non Elderly
- 2 - Elderly
- 3 - Related/Single Parent
- 4 - Related/Two Parent
- 5 - Other

New Contract?

- Y - Yes, tenant is newly assisted
- N - No, tenant's assistance has been renewed

Prohibition Against Conflicts of Interest
EXHIBIT "C"

24 CFR § 92.356 Conflict of interest.

(a) **Applicability.** In the procurement of property and services by participating jurisdictions, State recipients, and sub-recipients, the conflict of interest provisions in 24 CFR 92.356 shall apply.

(b) **Conflicts prohibited.** No persons described in **paragraph (c)** of this section who exercise or have exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in a position to participate in a decision making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a HOME-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.

(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 COUNTY, State recipient, or sub-recipient which are receiving HOME funds.

(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 the exception will serve to further the purposes of the HOME Investment Partnerships Program and the effective and efficient administration of COUNTY's program or project. An exception may be considered only after the recipient has provided the following:

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

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

(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:

- c. 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;
- d. Whether the person affected is a member of a group or class of low-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;

- e. 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;
- f. Whether the interest or benefit was present before the affected person was in a position as described in **paragraph (c)** of this section;
- g. Whether undue hardship will result either to COUNTY or the person affected when weighed against the public interest served by avoiding the prohibited conflict;
- h. Any other relevant considerations.

Owners/Participants and Developers.

- (1) No owner, developer, or sponsor of a project assisted with HOME funds (or officer, employee, agent or consultant of the owner, developer, or sponsor) whether private, for profit or non-profit (including a community housing development organization (CHDO) when acting as an owner, developer or sponsor) may occupy a HOME-assisted affordable housing unit in a project. This provision does not apply to an individual who receives HOME funds to acquire or rehabilitate his or her principal residence or to an employee or agent of the owner or developer of a rental housing project who occupies a housing unit as the project manager or maintenance worker.
- (2) Exceptions. Upon written request of owner or developer, COUNTY may grant an exception to the provisions of **paragraph (f)(1)** of this section on a case-by-case basis when it determines that the exception will serve to further the purpose of the HOME program and the effective and efficient administration of the owner's or developer's HOME-assisted project. In determining whether to grant a requested exception, COUNTY shall consider the following factors:
 - (i) Whether the person receiving the benefit is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted housing, 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;
 - (ii) Whether the person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted housing in question;
 - (iii) Whether the tenant protection requirements of 24 CFR § 92.253 are being observed;

- (iv) Whether the affirmative marketing requirements of 24 CFR § 92.351 are being observed and followed; and
- (v) Any other factor relevant to COUNTY's determination, including the timing of the requested exception.

Community Development Block Grant
Policy Manual, I.D. # A-11

TOPIC: CONFLICT OF INTEREST CODED
RIVERSIDE COUNTY
ECONOMIC DEVELOPMENT AGENCY
DATE: MARCH 1999

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.
 - 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.