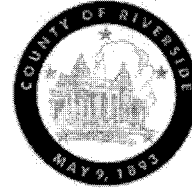


**SUBMITTAL TO THE RIVERSIDE COMMUNITY
HOUSING CORP. BOARD OF DIRECTORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM
14.1
(ID # 6387)**

MEETING DATE:

Tuesday, April 24, 2018

FROM : RIVERSIDE COMMUNITY HOUSING CORP.:

SUBJECT: RIVERSIDE COMMUNITY HOUSING CORP: Approval of Construction Contract Template for Kitchen and Bathroom Renovation Projects at Beaumont Grove Apartments, Identified as Assessor's Parcel Numbers 418-150-011, 418-150-012, and 418-150-014, located in Beaumont; and Fairview Lake Townhomes, Identified as Assessor's Parcel Numbers 387-092-027, 387-092-028, 387-092-029, 387-092-030, 387-092-031, 387-092-032, and 387-092-033, located in Lake Elsinore. Districts 1&5, [\$476,000], 2017 Community Development Block Grant (CDBG) 100%; CEQA Exempt

RECOMMENDED MOTION: That the Board of Directors:

1. Find that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301, Existing Facilities Exemption, and Section 15061 General Rule "Common Sense" Exemption;
2. Approve the use of \$476,000 in CDBG grant funds for the renovation of all kitchens and bathrooms at the Beaumont Grove Apartments, identified as Assessor's Parcel Numbers 418-150-011, 418-150-012, and 418-150-014, located in Beaumont; and Fairview Lake Townhomes, identified as Assessor's Parcel Numbers 387-092-027, 387-092-028, 387-092-029, 387-092-030, 387-092-031, 387-092-032, and 387-092-033, located in Lake Elsinore;

ACTION: Policy

Robert Field, Chief Executive Officer

3/8/2018

MINUTES OF THE BOARD OF DIRECTORS

On motion of Director Perez, seconded by Director Ashley and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: Jeffries
Date: April 24, 2018
xc: RCHC

Kecia Harper-Ihem
Clerk of the Board

By:
Deputy

**SUBMITTAL TO THE RIVERSIDE COMMUNITY
HOUSING CORP. BOARD OF DIRECTORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

RECOMMENDED MOTION: That the Board of Directors:

3. Approve the attached Construction Contract template and the total construction project budget of \$476,000;
4. Approve the attached Sponsor's Agreement for the Use of Community Development Block Grant Funds between the County of Riverside and Riverside Community Housing Corp. in the amount of \$476,000, with a six month term, to pay for affordable housing renovation and modernization projects at the Beaumont Grove Apartments and the Fairview Lake Townhomes;
5. Authorize the Chairperson of the Board of Directors to approve the Construction Contract template on behalf of the Riverside Community Housing Corp (RCHC);
6. Authorize the RCHC Chief Executive Officer, or designee, to take all necessary steps to implement and accomplish the Construction Contract and the Sponsor's Agreement including, but not limited to, signing administrative documents that do not substantially change the Construction Contract or the Sponsor's Agreement, subject to approval by General Counsel; and
7. Direct RCHC staff to file the Notice of Exemption with the Clerk of the Board within five working days of approval of this Form 11.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$476,000	\$0	\$476,000	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: Community Development Block Grant 100%			Budget Adjustment: No For Fiscal Year: 2017/2018	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Riverside County Housing Corp. (RCHC) owns, operates and maintains the following housing sites: Beaumont Grove Apartments, identified as Assessor's Parcel Numbers 418-150-011, 418-150-012, and 418-150-014, located in Beaumont (Property 1); and Fairview Lake Townhomes, identified as Assessor's Parcel Numbers 387-092-027, 387-092-028, 387-092-029, 387-092-030, 387-092-031, 387-092-032, and 387-092-033, located in Lake Elsinore (Property 2; Property 1 and Property 2 collectively referred to herein as Properties). The Properties' kitchens, bathrooms and flooring are the original installed fixtures and now require renovation. The proposed projects will completely renovate the old bathrooms, kitchens and flooring at the Properties.

**SUBMITTAL TO THE RIVERSIDE COMMUNITY
HOUSING CORP. BOARD OF DIRECTORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

RCHC has received a Community Development Block Grant (CDBG) of \$476,000 to do these renovations and wishes to complete the advertising and bidding process prior to June 30th, 2018 so as to obligate the money before the deadline.

The Initial Construction Estimate (ICE) for each Project is as follows:

Property #1: \$272,000

Property #2: \$204,000

Total Construction Budget: \$476,000

As this grant money is limited, we are unable to incorporate a ten percent contingency within the construction budget into this total.

RCHC will advertise and post two separate Invitation for Bids (IFB's) for the renovation of the two separate Properties' kitchens and baths. A competitive bidding process will be followed in accordance with the procurement policy outlined in 2 CFR §200.317 through §200.326 and RCHC's own Procurement Policy. The qualified, licensed contractor that is the lowest bidder that responds to the solicitations that is found to be both responsible and responsive will be the winner, subject to approval by General Counsel.

General Counsel has approved the Construction Contract template as to form. RCHC staff recommends that the Board of Directors approve the Construction Contract template.

Staff recommends that the RCHC Board of Directors approve the expenditure of funds up to \$476,000 and find the Project is exempt from CEQA.

California Environmental Quality Act (CEQA) Findings:

This project will replace the existing kitchen, baths and flooring with completely renovated kitchens and baths within the rental units on the same site, within the confines of the current Properties. The project is exempt from CEQA pursuant to Section 15301 "Existing Facilities Exemption". This exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site's use. The project as proposed is the upgrade of existing residential multifamily units for use as low income rental units. There will be no expansion of the existing use of the Properties, which is currently residential use. Additionally the project is exempt from CEQA pursuant to Section 15061 as there is no possibility the project will have a significant impact on the environment.

Impact on Residents and Businesses

**SUBMITTAL TO THE RIVERSIDE COMMUNITY
HOUSING CORP. BOARD OF DIRECTORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

Approving this item will have a positive impact on the citizens and businesses of each of the cities where the projects are located. The proposed projects are expected to generate temporary construction jobs. Additionally, the renovations will enhance the living space for current and future apartment residents. These and future improvements will positively impact the residents of the listed apartment complexes and improve each surrounding neighborhood.

SUPPLEMENTAL:

Additional Fiscal Information

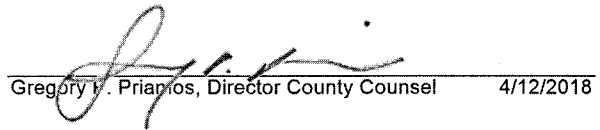
This item has no impact upon the County's General Fund; the project will be fully funded through Community Development Block Grant (CDBG) funds.

ATTACHMENTS:

- Construction Contract Template
- Notice of Exemptions (2)

RF:HM:CH:MM


Renuka Basma, Principal Management Analyst 4/16/2018


Gregory L. Priamos, Director County Counsel 4/12/2018



Original Negative Declaration/Notice of
Determination was routed to County
Clerks for posting on

_____ Date

_____ Initial

VIA RCHC

NOTICE OF EXEMPTION

To: County Clerk
2724 Gateway Drive
Riverside, CA 92507

Activity Title: Kitchen and Bath Renovation Project at Beaumont Grove Apartments

Activity Location: 717-837 E. 5th Street, Beaumont, CA 92223

Activity Description – Nature, Purpose and Beneficiaries: The Riverside Community Housing Corp (RCHC) owns, operates and maintains the Public Housing Site known as the Beaumont Grove Apartments (Property) located at 717-837 E. 5th Street, Beaumont, CA 92223. The Property's Kitchens, Baths and Flooring were in need of replacement and renovation. The scope of the capital improvements include the following: installing new kitchen cabinets, flooring and appliances to replace the old cabinets, flooring and appliances. No new residential units will be created and the existing use of the site will remain the same and of similar intensity. Any existing impacts related to noise, traffic, or utilities will remain similar to existing conditions.

Name of Public Agency Approving Project: Riverside Community Housing Corp.

Name of Person/Agency Carrying out Project: Riverside Community Housing Corp.

Exempt Status: California Environmental Quality Act (CEQA) Guidelines Title 14 California Code of Regulations, Section 15301, Existing Facilities and Section 15061 (b) (3), General Rule Exemption.

Reasons Why Activity is Exempt: The project is exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The project will not cause any impacts to scenic resources, historic resources, or unique sensitive biological environments. The existing structures that will have their kitchens and baths renovated do not possess any historic significance and the project site is already developed. Further, no unusual circumstances or potential cumulative impacts would occur that may reasonably create an environmental impact. The renovation of the existing kitchens and baths will not have an effect on the environment and no significant physical environmental impacts are anticipated to occur.

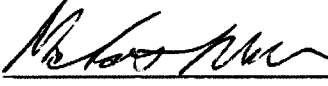
- Section 15301 – Class 1 Existing Facilities Exemption. This exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site's use. The project as proposed is the renovation of all existing kitchens and baths, and as proposed, is minimal and would not result in any significant physical impacts related to air quality, traffic, noise, biological or historic resources, or any other potential physical environmental impacts. Once the renovations are complete, the property will continue to operate as residential rental units. Therefore, the project meets the scope and intent of the Class 1 Exemption.

- Section 15061(b)(3) – General Rule or "Common Sense" Exemption. The State CEQA Guidelines provides this exemption based upon the general rule that CEQA only applies to projects with the potential

501 A 501(c)(3) Non-Profit Public Benefit Corporation



to cause a significant effect on the environment. With certainty, there is no possibility that the proposed project may have a significant effect on the environment. The renovation of already existing kitchens and baths at the same physical location will not have an effect on the environment. The renovated kitchens and baths will not increase any potential environmental impacts from either the replacement of the old fixtures and appliances or operation of the new fixtures and appliances themselves. The use and operation of the site will be substantially unchanged and will not create any new environmental impacts to the surrounding area. In fact, the renovated units will improve both the existing structures and the surrounding community. Therefore, in no way would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Lead Agency Contact: Mike Walsh, Secretary Signature: 
Telephone: (951) 343-5403 Date: 2/21/18

501 A 501(c)(3) Non-Profit Public Benefit Corporation 501

5555 Arlington Avenue, Riverside, CA 92504 ■ T. 951.343.5485 ■ F. 951.688.6873 ■ RCHC@rivcocda.org

Updated 08/27/14

Page 2 of 2



Original Negative Declaration/Notice of Determination was routed to County Clerks for posting on.

Date Initial

NOTICE OF EXEMPTION

To: County Clerk
2724 Gateway Drive
Riverside, CA 92507

Activity Title: Kitchen and Bath Renovation Project at Fairview Lake Townhomes

Activity Location: 33051-33091 Fairview Street, Lake Elsinore, CA 92530

Activity Description – Nature, Purpose and Beneficiaries: The Riverside Community Housing Corp (RCHC) owns, operates and maintains the Public Housing Site known as the Fairview Lake Townhomes (Property) located at 33051-33091 Fairview Street, Lake Elsinore, CA 92530. The Property's Kitchens, Baths and Flooring are in need of replacement and renovation. The scope of the capital improvements will include the following: installing new kitchen cabinets, flooring, fixtures and appliances to replace the old cabinets, flooring, fixtures and appliances. No new residential units will be created and the existing use of the site will remain the same and of similar intensity. Any existing impacts related to noise, traffic, or utilities will remain similar to existing conditions.

Name of Public Agency Approving Project: Riverside Community Housing Corp.

Name of Person/Agency Carrying out Project: Riverside Community Housing Corp.

Exempt Status: California Environmental Quality Act (CEQA) Guidelines Title 14 California Code of Regulations, Section 15301, Existing Facilities and Section 15061 (b) (3), General Rule Exemption.

Reasons Why Activity is Exempt: The project is exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The project will not cause any impacts to scenic resources, historic resources, or unique sensitive biological environments. The existing structures that will have their kitchens and baths renovated do not possess any historic significance and the project site is already developed. Further, no unusual circumstances or potential cumulative impacts would occur that may reasonably create an environmental impact. The renovation of the existing kitchens and baths will not have an effect on the environment and no significant physical environmental impacts are anticipated to occur.


- Section 15301 – Class 1 Existing Facilities Exemption. This exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site's use. The project as proposed is the renovation of all existing kitchens and baths, and as proposed, is minimal and would not result in any significant physical impacts related to air quality, traffic, noise, biological or historic resources, or any other potential physical environmental impacts. Once the renovations are complete, the property will continue to operate as residential rental units. Therefore, the project meets the scope and intent of the Class 1 Exemption.

- Section 15061(b)(3) – General Rule or "Common Sense" Exemption. The State CEQA Guidelines provides this exemption based upon the general rule that CEQA only applies to projects with the potential

§ 501(c)(3) Non-Profit Public Benefit Corporation



to cause a significant effect on the environment. With certainty, there is no possibility that the proposed project may have a significant effect on the environment. The renovation of already existing kitchens and baths at the same physical location will not have an effect on the environment. The renovated kitchens and baths will not increase any potential environmental impacts from either the replacement of the old fixtures and appliances or operation of the new fixtures and appliances themselves. The use and operation of the site will be substantially unchanged and will not create any new environmental impacts to the surrounding area. In fact, the renovated units will improve both the existing structures and the surrounding community. Therefore, in no way would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Lead Agency Contact: Mike Walsh, Secretary Signature: 
Telephone: (951) 343-5403 Date: 2/21/15

501(c)(3) Non-Profit Public Benefit Corporation

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

This Sponsor's Agreement ("Agreement"), for the use of Community Development Block Grant funds, is made and entered into this 24TH day of APRIL, 2018, by and between County of Riverside of the State of California, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and **RIVERSIDE COMMUNITY HOUSING CORP.**, 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 Code of Federal Regulations (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 **\$476,000**, ("CDBG Entitlement Funds"), as specifically identified in Exhibits A and B, which is attached hereto and incorporated herein by this reference, for the following project: **Affordable Housing Renovation and Modernization**

1 **Project – Beaumont Grove Apartments, and the Affordable Housing Renovation and**
2 **Modernization Project – Fairview Lake Homes.**

3 2. TERM OF AGREEMENT. This Agreement shall become effective upon the Effective
4 Date, as defined herein, and shall continue in full force and effect until **AUGUST 15, 2018.**

5 3. COMPLETION SCHEDULE. SPONSOR shall proceed consistent with Section IV as
6 set forth in Exhibits A and B.

7 4. EXTENSION OF TIME. COUNTY may grant an extension, in its sole and absolute
8 discretion, to the completion schedule for the purpose of completing SPONSOR’S projects/activities
9 which are underway and cannot be completed during the term of this Agreement. SPONSOR shall
10 request said extension in writing, stating the reasons therefore, and may be granted only by receiving
11 written approval from COUNTY. Every term, condition, covenant and requirement of this
12 Agreement shall continue in full force and effect during the period of any such extension. In the
13 event that the SPONSOR does not request an extension, or if no extension is authorized by the
14 COUNTY, this Agreement may be terminated consistent with the termination procedures as set forth
15 in Section 23 of this Agreement.

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

19 6. NOTICES. Each notice, request, demand, consent, approval or other
20 communication (hereinafter in this Section referred to collectively as “notices” and referred to singly
21 as a “notice”) which the COUNTY or SPONSOR is required or permitted to give to the other party
22 pursuant to this Agreement shall be in writing and shall be deemed to have been duly and sufficiently
23 given if: (a) personally delivered with proof of delivery thereof (any notice so delivered shall be
24 deemed to have been received at the time so delivered); or (b) sent by Federal Express (or other
25 similar national overnight courier) designating early morning delivery (any notice so delivered shall
26 be deemed to have been received on the next business day following receipt by the courier); or (c)
27 sent by United States registered or certified mail, return receipt requested, postage prepaid, at a post
28 office regularly maintained by the United States Postal Service (any notice so sent shall be deemed

1 to have been received two days after mailing in the United States), addressed to the respective parties
2 as follows:

<u>COUNTY</u>	<u>SPONSOR</u>
Assistant County Executive Officer/EDA	Thomas Lines
Economic Development Agency	Riverside Community Housing Corp.
P.O. Box 1180	5555 Arlington Avenue
Riverside, CA 92502	Riverside, CA 92504

3
4
5
6
7
8 7. DISPOSITION OF FUNDS. COUNTY'S Board of Supervisors shall determine the
9 final disposition and distribution of all funds received by COUNTY under the ACT consistent with
10 the provisions of Sections 1 and 2 of this Agreement. COUNTY, through its Economic Development
11 Agency, shall: (1) make payments of the grant funds to SPONSOR as set forth in Exhibits A and B,
12 attached hereto, and (2) monitor the CDBG-funded activity to ensure compliance with applicable
13 federal regulations and the terms of this Agreement.

14 8. DISTRIBUTION OF FUNDS. The COUNTY shall pay to the SPONSOR the sum
15 specified in Section paragraph 1 above on a reimbursable basis for all COUNTY-approved costs.
16 The SPONSOR shall submit not more often than monthly to the CDBG Administrator of COUNTY
17 a certified statement setting forth in detail the expenditures made for which it is asking
18 reimbursement along with pertinent supporting documentation. The COUNTY shall promptly
19 review the monthly expenditure statement and reimburse the SPONSOR for the approved costs in
20 accordance with its usual accounting procedures. The COUNTY may require from SPONSOR such
21 supporting documentation as may be necessary and appropriate for the COUNTY to make its
22 determination as to allowable costs. Each disbursement of CDBG funds shall be made within thirty
23 (30) days after SPONSOR has submitted, to the COUNTY, a complete and written approved
24 statement of expenditures. In the event the United States Department of Housing and Urban
25 Development (HUD) shall determine the purpose or any of the expenditures above described are
26 ineligible for funding by the COUNTY, the SPONSOR shall reimburse the COUNTY the amount
27 of the cost so disallowed.

28 9. RECORDS AND INSPECTIONS.

1 a. SPONSOR shall establish and maintain financial, programmatic, statistical, and
2 other supporting records of its operations and financial activities in accordance with the Uniform
3 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR
4 Part 200) and 24 CFR Section 570.502 (a), as they relate to the acceptance and use of federal funds
5 under this Agreement. Said records shall be retained for a period of four (4) years from the date that
6 the activity or program funded with the CDBG Grant is closed out by the COUNTY and reported as
7 complete in the Comprehensive Annual Performance and Evaluation Report (CAPER). Exceptions
8 to the four (4) year retention period requirement, pursuant to 2 CFR 200.333 include the following:

9 i. if any litigation, claim, or audit is started prior to the expiration of the
10 four (4) year period;

11 ii. when the SPONSOR is notified in writing by the COUNTY, HUD, or
12 other Federal agency to extend the retention period;

13 iii. records for real property and equipment acquired with CDBG funds
14 must be retained for four (4) years after final disposition;

15 iv. when the records are transferred by the SPONSOR to the COUNTY,
16 HUD, or other Federal agency, the four (4) year period is not applicable.

17 b. SPONSOR shall maintain a separate account for CDBG Entitlement Funds
18 received as set forth in Exhibits "A and B."

19 c. SPONSOR shall obtain an external audit in accordance with the Uniform
20 Administrative Requirements , Cost Principles, and Audit Requirements for Federal Awards (2 CFR
21 Section 200.500). Audits shall usually be performed annually but not less frequently than every two
22 years. Nonprofit institutions and government agencies that expend less than \$750,000 a year in
23 federal awards are exempt from federal audit requirements, but records must be available for review
24 by appropriate officials of the federal grantor agency or subgranting entity. The audit report shall be
25 submitted to the COUNTY within 180 days after the end of the COUNTY'S fiscal year.

26 d. SPONSOR shall, during the normal business hours make available to
27 COUNTY and to HUD for examination and copying all of its records and other materials with
28 respect to matters covered by this Agreement.

1 e. SPONSOR shall not retain any program income as defined in 24 CFR 570.500.

2 f. SPONSOR shall submit to the COUNTY copies of all studies and reports
3 prepared for this project and the COUNTY shall have the right to the use and benefit of all such
4 studies and reports.

5 g. If this CDBG-funded activity meets a National Objective by serving limited
6 clientele as defined in 24 CFR 570.208(a)(2)(i), the SPONSOR shall ensure that at least fifty-one
7 percent (51%) of the persons benefiting from the CDBG funded activities are of low and moderate-
8 income and meet the program income guidelines set forth in Exhibit A, attached hereto and
9 incorporated herein by this reference. The SPONSOR must provide the required direct benefit
10 documentation in writing to the COUNTY.

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

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

18 b. Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C.A.
19 Section 1701u, as amended, a copy of which is attached hereto as Exhibit "S", and incorporated
20 herein by this reference;

21 c. Compliance with Executive Order 11246 of September 24, 1965, entitled
22 "Equal Employment Opportunity", as amended by Executive Order 11375 of October 13, 1967, and
23 as supplemented in Department of Labor Regulations (41 CFR Part 60). The SPONSOR will not
24 discriminate against any employee or applicant for employment because of race, color, religion,
25 sex, or national origin. SPONSOR will ensure that all qualified applicants will receive consideration
26 for employment without regard to race, color, religion, sex or national origin. The SPONSOR will
27 take affirmative action to ensure that applicants are employed and the employees are treated during
28 employment, without regard to their race color, religion, sex, or national origin. Such actions shall

1 include, but are not limited to, the following: employment, up-grading, demotion, or transfer;
2 recruitment or recruitment advertising; rates of pay or other forms of compensation; and selection
3 for training, including apprenticeship. The SPONSOR agrees to post in a conspicuous place,
4 available to employees and applicants for employment, notices to be provided by the County setting
5 forth the provisions of this non-discrimination clause;

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

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

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

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

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

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

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

21 k. The regulations, policies, guidelines and requirements of the Uniform
22 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR
23 Part 200) as they relate to the acceptance and use of federal funds under the federally-assigned
24 program;

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

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

28 n. The lead-based paint requirements of 24 CFR Part 35 issued pursuant to the

1 Lead-based Paint Poisoning Prevention Act (42 USC 4801, et seq.);

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

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

6 (1) Pursuant to 24 CFR Section 570.604, the SPONSOR does not assume
7 the COUNTY'S environmental responsibilities under the National Environmental Policy Act or
8 1969 (NEPA); and

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

11 q. *Copeland "Anti-Kickback" Act (18 U.S.C. Section 874 and 40 U.S.C.A.*
12 *Section 3145):* All contracts and subgrants in excess of \$2,000 for construction or repair awarded
13 by recipients and subrecipients shall include a provision for compliance with the Copeland "Anti-
14 Kickback" Act (18 U.S.C. Section 874), as supplemented by Department of Labor Regulations (29
15 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole
16 or in Part by Loans or Grants from the United States") ("ACT"). The Act provides that each
17 contractor or subrecipient shall be prohibited from inducing, by any means, any person employed
18 in the construction, completion, or repair of public work, to give up any part of the compensation
19 to which he is otherwise entitled. The recipient shall report all suspected or reported violations to
20 HUD.

21 r. *Davis-Bacon Act, as amended (40 U.S.C.A. Section 3141-3148):* When
22 required by Federal program legislation, all construction contracts awarded by the recipients and
23 subrecipients of more than \$2,000 shall include a provision for compliance with the Davis-Bacon
24 Act (40 U.S.C.A. Section 3148) and as supplemented by Department of Labor Regulations (29 CFR
25 Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and
26 Assisted Construction"). Under the Davis Bacon Act, contractors shall be required to pay wages to
27 laborers and mechanics at a rate not less than the minimum wages specified in a wage determination
28 made by the U.S. Secretary of Labor. In addition, contractors shall be required to pay wages not

1 less than once a week. The recipient shall place a copy of the current prevailing wage determination
2 issued by the U.S. Department of Labor in each solicitation and the award of a contract shall be
3 conditioned upon the acceptance of the wage determination. The recipient shall report all suspected
4 or reported violations to HUD.

5 s. *Contract Work Hours and Safety Standards (40 U.S.C.A. 3701-3708)*: Where
6 applicable, all contracts awarded by SUBRECIPEINT in excess of \$2,000 for construction contracts
7 and in excess of \$2,500 for other contracts that involve the employment of mechanics or laborers
8 shall include a provision for compliance with the Contract Work Hours and Safety Standards (40
9 U.S.C.A. 3701-3708), as supplemented by Department of Labor Regulations (29 CFR Part 5).
10 Under Section 40 U.S.C.A. 3702, each contractor shall be required to compute the wages of every
11 mechanic and laborer on the basis of a standard workweek of 40 hours. Work in excess of the
12 standard workweek is permissible provided that the worker is compensated at a rate of not less than
13 1 1/2 times the basic rate of pay for all hours worked in excess of 40 hours in the workweek. 40
14 U.S.C.A. 3704 is applicable to construction work and provides that no laborer or mechanic shall be
15 required to work in surroundings or under working conditions which are unsanitary, hazardous or
16 dangerous. These requirements do not apply to the purchases of supplies or materials or articles
17 ordinarily available on the open market, or contracts for transportation or transmission of
18 intelligence.

19 t. *Rights to Inventions Made Under a Contract or Agreement*: Contracts or
20 agreements for the performance of experimental, developmental, or research work shall provide for
21 the rights of the Federal Government and the recipient in any resulting invention in accordance with
22 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business
23 Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing
24 regulations issued by HUD.

25 u. *Rights to Data and Copyrights*: Contractors and consultants agree to comply
26 with all applicable provisions pertaining to the use of data and copyrights pursuant to 48 CFR Part
27 27.404-3, Federal Acquisition Regulations (FAR).

28 v. *Air Pollution Prevention and Control* (formally known as the *Clean Air Act*)

1 (42 U.S.C.A. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C.A. Section 1251
2 et seq.), as amended: Contracts and subgrants of amounts in excess of \$100,000 shall contain a
3 provision that requires the recipient to agree to comply with all applicable standards, orders or
4 regulations issued pursuant to the *Clean Air Act* (42 U.S.C.A. 7401 et seq.) and the *Federal Water*
5 *Pollution Control Act* as amended (33 U.S.C.A. Section 1251 et seq.). Violations shall be reported
6 to HUD and the Regional Office of the Environmental Protection Agency (EPA).

7 w. *Anti-Lobbying Certification* (31 U.S.C.A. 1352): The language of the
8 certification set forth in the paragraph w. below shall be included in all contracts or subcontracts
9 entered into in connection with this grant activity and all SPONSORS shall certify and disclose
10 accordingly. This certification is a material representation of fact upon which reliance was placed
11 when this transaction was made or entered into. Submission of this certification is a prerequisite for
12 making or entering into this transaction imposed by 31 U.S.C.A. Section 1352. Any person who
13 fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and
14 no more than \$100,000 for such failure.

15 “The undersigned certifies, to the best of his or her knowledge or belief, that:

16 No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to
17 any person for influencing or attempting to influence an officer or employee of any agency, a
18 Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress
19 in connection with the awarding of any Federal contract, the making of any Federal grant, the
20 making of any Federal loan, the entering into of any cooperative agreement, and the extension,
21 continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or
22 cooperative agreement;

23 If any funds other than Federal appropriated funds have been paid or will be paid to
24 any person for influencing or attempting to influence an officer or employee of any agency, a
25 Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress
26 in connection with this Federal contract, grant loan or cooperative agreement, he/she will complete
27 and submit Standard Form – LLL, “Disclosure Form to Report Lobbying,” in accordance with its
28 instructions.”

1 x. *Debarment and Suspension (Executive Orders (E.O.) 12549 and 12689):* No
2 contract shall be made to parties listed on the General Services Administration's List of Parties
3 Excluded from Federal Procurement or Nonprocurement Programs in accordance with E.O.s 12549
4 and 12689, "Debarment and Suspension," as set forth at 2 CFR Part 2424. This list contains the
5 names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared
6 ineligible under statutory or regulatory authority other than E.O. 12549. Contractors with awards
7 that exceed the small purchase threshold shall provide the required certification regarding its
8 exclusion status and that of its principal employees.

9 y. *Drug-Free Workplace Requirements:* The Anti-Drug Abuse Act of 1988 (41
10 U.S.C.A. Section 8101-8103) requires grantees (including individuals) of federal agencies, as a
11 prior condition of being awarded a grant, to certify that they will provide drug-free workplaces.
12 Each potential recipient must certify that it will comply with drug-free workplace requirements in
13 accordance with the Act and with HUD's rules at 2 CFR Part 2424.

14 z. *Access to Records and Records Retention:* The Consultant or Contractor, and
15 any sub-consultants or sub-contractors, shall allow all duly authorized Federal, State, and/or County
16 officials or authorized representatives access to the work area, as well as all books, documents,
17 materials, papers, and records of the Consultant or Contractor, and any sub-consultants or sub-
18 contractors, that are directly pertinent to a specific program for the purpose of making audits,
19 examinations, excerpts, and transcriptions. The Consultant or Contractor, and any sub-consultants
20 or sub-contractors, further agree to maintain and keep such books, documents, materials, papers,
21 and records, on a current basis, recording all transactions pertaining to this agreement in a form in
22 accordance with generally acceptable accounting principles. All such books and records shall be
23 retained for such periods of time as required by law, provided, however, notwithstanding any
24 shorter periods of retention, all books, records, and supporting detail shall be retained for a period
25 of at least four (4) years after the expiration of the term of this Agreement.

26 aa. *Federal Employee Benefit Clause:* No member of or delegate to the congress
27 of the United States, and no Resident Commissioner shall be admitted to any share or part of this
28 agreement or to any benefit to arise from the same.

1 bb. *Energy Efficiency*: Mandatory standards and policies relating to energy
2 efficiency which are contained in the State energy conservation plan issued in compliance with the
3 Energy Policy and Conservation Act (Pub. L. 94 - 163, Dec. 22, 1975; 42 U.S.C.A. Section 6201,
4 et. seq., 89 Stat.871).

5 cc. *Procurement of Recovered Materials (2 CFR 200.322.)*: A non-Federal entity
6 that is a state agency or agency of a political subdivision of a state and its contractors must comply
7 with 42 U.S.C. Section 6962 of the Solid Waste Disposal Act (42 U.S.C.A. Section 6901, et seq.),
8 as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002
9 include procuring only items designated in guidelines of the Environmental Protection Agency
10 (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable,
11 consistent with maintaining a satisfactory level of competition, where the purchase price of the item
12 exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded
13 \$10,000; procuring solid waste management services in a manner that maximizes energy and
14 resource recovery; and establishing an affirmative procurement program for procurement of
15 recovered materials identified in the EPA guidelines.

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

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

25 13. LEAD AGENCY FOR COMPLIANCE WITH THE CALIFORNIA
26 ENVIRONMENTAL QUALITY ACT (CEQA). Pursuant to 14 CCR Section 1501 (d), COUNTY
27 is designated as the lead agency for the project that is the subject matter of this Agreement.

28 14. HOLD HARMLESS AND INDEMNIFICATION. SPONSOR shall indemnify and

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

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

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

19 The specified insurance limits required in this Agreement shall in no way limit or circumscribe
20 SPONSOR'S obligations to indemnify and hold harmless the COUNTY herein from third party
21 claims. The hold harmless and indemnification obligations set forth herein shall survive the
22 termination and expiration of this Agreement.

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

27 a. Workers' Compensation:

28 If the SPONSOR has employees as defined by the State of California, the SPONSOR shall

1 maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the
2 State 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 endorsed
4 to waive subrogation in favor of the County of Riverside.

5 b. Commercial General Liability:

6 Commercial General Liability insurance coverage, including but not limited to,
7 premises liability, contractual liability, products and completed operations liability, personal and
8 advertising injury, and cross liability coverage, covering claims which may arise from or out of
9 SPONSOR'S performance of its obligations hereunder. Policy shall name the County of Riverside
10 as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence
11 combined single limit. If such insurance contains a general aggregate limit, it shall apply separately
12 to this agreement or be no less than two (2) times the occurrence limit.

13 c. Vehicle Liability:

14 If vehicles or mobile equipment are used in the performance of the obligations under this
15 Agreement, then SPONSOR shall maintain liability insurance for all owned, non-owned or hired
16 vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If
17 such insurance contains a general aggregate limit, it shall apply separately to this agreement or be
18 no less than two (2) times the occurrence limit. Policy shall name the County of Riverside as
19 Additional Insured.

20
21 d. General Insurance Provisions - All lines:

22 (i). Any insurance carrier providing insurance coverage hereunder shall be
23 admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8)
24 unless 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 specific
26 insurer and only for one policy term.

27 (ii). 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 have

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

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

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

28 (v). If, during the term of this Agreement or any extension thereof, there is a

1 material change in the scope of services; or, there is a material change in the equipment to be used
2 in the performance of the scope of or, the term of this Agreement, including any extensions thereof,
3 exceeds five (5) years, the COUNTY reserves the right to adjust the types of insurance required
4 under this Agreement and the monetary limits of liability for the insurance coverage's currently
5 required herein, if; in the County Risk Manager's reasonable judgment, the amount or type of
6 insurance carried by the SPONSOR has become inadequate.

7 (vi). SPONSOR shall pass down the insurance obligations contained herein to all
8 tiers of subcontractors working under this Agreement.

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

11 (viii). SPONSOR agrees to notify COUNTY of any claim by a third party or any
12 incident or event that may give rise to a claim arising from the performance of this Agreement.

13 16. FEDERAL REQUIREMENTS. SPONSOR shall comply with the provisions of the
14 ACT and any amendments thereto and the federal regulations and guidelines now or hereafter
15 enacted pursuant to the ACT. More particularly, SPONSOR is to comply with those regulations
16 found in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for
17 Federal Awards (2 CFR Part 200) and 24 CFR Part 570. SPONSOR is to abide by the provisions of
18 the COUNTY's CDBG policies.

19 17. PROGRAM INCOME. SPONSOR, who is a subrecipient as defined in 24 CFR Part
20 570.500(c), shall not retain any program income as defined in 24 CFR 570.500. Any and all program
21 income shall be retained by the COUNTY.

22 18. INDEPENDENT CAPACITY. The SPONSOR is, for purposes relating to this
23 Agreement, an independent contractor and shall not be deemed an employee, officer, or agent of the
24 COUNTY. It is expressly understood and agreed that the SPONSOR (including its employees,
25 agents and subcontractor's) shall in no event be entitled to any benefits to which the COUNTY
26 employees are entitled, including but not limited to overtime, any retirement benefits, worker's
27 compensation benefits, and injury leave or other leave benefits. There shall be no employer-
28 employee relationship between the parties; and the SPONSOR shall hold the COUNTY harmless

1 from any and all claims that may be made against the COUNTY based upon any contention by a
2 third party that an employer-employee relationship exists by reason of this Agreement. It is further
3 understood and agreed by the Parties that the SPONSOR in the performance of this Agreement is
4 subject to the control or direction of the COUNTY merely as to the results to be accomplished and
5 not as to the means and methods for accomplishing the results.

6 19. NONDISCRIMINATION. SPONSOR shall abide by 24 CFR Section 570.601 and
7 570.912 which require that no person in the United States shall on the ground of race, color, religion,
8 national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected
9 to discrimination under any program or activity funded in whole or in part with CDBG funds.

10 SPONSOR agrees to abide by and include in any subcontracts to perform work under
11 this Agreement, the following clause:

12 "During the performance of this Agreement SPONSOR and its subcontractors shall not
13 unlawfully discriminate against any employee or applicant for employment because of race,
14 religion, color, national origin, ancestry, physical handicap, medical condition, marital status,
15 age (over 40) or sex. SPONSOR and subcontractors shall insure that the evaluation and
16 treatment of their employees and applicants for employment are free of such discrimination.
17 SPONSOR and subcontractors shall comply with the provisions of the Fair Employment and
18 Housing Act (California Government Code Section 12900 et seq.). The applicable regulations
19 of the Fair Employment and Housing Commission implementing California Government Code
20 Section 12990 et seq., set forth in Chapter 1 of Division 4.1 of Title 2 of the California
21 Administrative Code are incorporated into this Agreement by reference and made a part hereof
22 as if set forth in full. SPONSOR and its subcontractors shall give written notice of their
23 obligations under this clause to labor organizations with which they have a collective
24 bargaining or other agreement."

25 20. PROHIBITION AGAINST CONFLICTS OF INTEREST.

26 a. SPONSOR and its assigns, employees, agents, consultants, officers and elected
27 and appointed officials shall become familiar with and shall comply with the Uniform
28 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR

1 Part 200) and the CDBG regulations prohibiting conflicts of interest contained in 24 CFR 570.611.

2 b. The Sponsor shall maintain a written code or standards of conduct that shall
3 govern the performance of its officers, employees or agents engaged in the award and administration
4 of contracts supported by Federal funds.

5 c. No employee, officer or agent of the Sponsor shall participate in the selection,
6 or in the award, or administration of, a contract supported by Federal funds if a conflict of interest,
7 real or apparent, would be involved.

8 d. No covered persons who exercise or have exercised any functions or
9 responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a
10 decision-making process or gain inside information with regard to such activities, may obtain a
11 financial interest in any contract, or have a financial interest in any contract, subcontract, or
12 agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the
13 CDBG-assisted activity, either for themselves or those with whom they have business or immediate
14 family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this
15 paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer,
16 or elected or appointed official of the Grantee, the Sponsor, or any designated public agency.

17 e. SPONSOR understands and agrees that no waiver or exception can be granted
18 to the prohibition against conflict of interest except upon written approval of HUD pursuant to 24
19 CFR 570.611(d). Any request by SPONSOR for an exception shall first be reviewed by COUNTY
20 to determine whether such request is appropriate for submission to HUD. In determining whether
21 such request is appropriate for submission to HUD, COUNTY will consider the factors listed in 24
22 CFR 570.611(d)(2).

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

1 Agreement.

2 g. Any violation of this section shall be deemed a material breach of this
3 Agreement, and the Agreement shall be immediately terminated by the COUNTY.

4 21. RELIGIOUS ACTIVITIES. Pursuant to federal regulations, CDBG assistance may
5 not be used for inherently religious activities or provided to primarily religious entities for any
6 activities including secular activities. SPONSOR shall adhere to the restrictions set forth in 24 CFR
7 570.200(j) and 24 CFR Section 5.109, which are attached hereto as Exhibit "R," and incorporated
8 herein by this reference.

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

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

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

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

28 23. TERMINATION.

1 a. SPONSOR. SPONSOR may not terminate this Agreement except upon express
2 written consent of COUNTY, pursuant to 2 CFR Section 200.339 (a)(4).

3 b. COUNTY. Notwithstanding the provisions of Paragraph 23a, COUNTY may
4 suspend or terminate this Agreement upon written notice to SPONSOR of the action being taken
5 and the reason for such actions including but not limited to the following reasons:

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

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

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

13 c. This Agreement may be terminated and/or funding suspended, in whole or in
14 part, for cause in accordance with the Uniform Administrative Requirements , Cost Principles, and
15 Audit Requirements for Federal Awards (2 CFR Section 200.339). Cause shall be based on the
16 failure of the SPONSOR to materially comply with either the terms or conditions of this Agreement.
17 Upon suspension of funding, the SPONSOR agrees not to incur any costs related thereto, or
18 connected with, any area of conflict from which the COUNTY has determined that suspension of
19 funds is necessary. SPONSOR acknowledges that failure to comply with Federal statutes,
20 regulations, or the terms and conditions of this Agreement may be considered by the COUNTY in
21 evaluating future CDBG and non-CDBG funding applications submitted by SPONSOR.

22 d. Reversion of Assets

23 1. Upon expiration of this Agreement, the SPONSOR shall transfer to the
24 COUNTY any CDBG funds, including but not limited to the CDBG Entitlement funds on hand at
25 the time of expiration of the Agreement as well as any accounts receivable held by SPONSOR which
26 are attributable to the use of CDBG funds awarded pursuant to this Agreement.

27 2. Any real property under the SPONSOR'S control that was acquired or
28 improved in whole or in part with CDBG funds (including CDBG funds provided to the SPONSOR

1 in the form of a loan) in excess of \$25,000 is either:

2 (i) Used to meet one of the National Objectives in 24 CFR Section
3 570.208 until five years after expiration of this agreement, or for such longer period of time as
4 determined to be appropriate by the COUNTY; or

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

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

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

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

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

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

27 1) Total number of direct beneficiaries (clientele served) with household
28 income:

- Above 80% MHI
- Between 50% and 80% MHI (Low-Income)
- Between 30% and 50% MHI (Very Low-Income)
- Below 30% MHI (Extremely Low-Income)

- 2) Total number and percentage of all clients at, or 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 HUD's Outcome Performance Measurement System.

26. PRIOR COUNTY APPROVAL (CONSTRUCTION ACTIVITIES). SPONSOR shall obtain COUNTY's written 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. The County neither undertakes nor assumes nor will have any responsibility or duty to Sponsor or to any third party to review, inspect, supervise, pass judgment upon or inform Sponsor or any third party of any matter in connection with the development or construction of the improvements, whether regarding the quality, adequacy or suitability of the plans, any labor, service, equipment or material furnished to the property, any person furnishing the same, or otherwise. Sponsor and all third parties shall rely upon its or their own judgment regarding such matters, and any review, inspection, supervision, exercise of judgment or information supplied to Sponsor or to any third party by the County in connection with such matter is for the public purpose of assisting with a community development and housing activity pursuant to the Act, and neither Sponsor (except for the purposes set forth in this Agreement) nor any third party is entitled to rely thereon. The County shall not be responsible for any of the work of construction, improvement, or development of the property.

1 It is the responsibility of Sponsor, without cost to County, to ensure that all applicable local jurisdiction
2 land use requirements will permit development of the property and construction of the improvements
3 and the use, operation, and maintenance of such Improvements in accordance with the provisions of
4 this Agreement. Nothing contained herein shall be deemed to entitle Sponsor to any local jurisdiction
5 or County permit or other local jurisdiction or County approval necessary for the development of the
6 Property, or waive any applicable local jurisdiction or County requirements relating thereto. This
7 Agreement does not (a) grant any land use entitlement to Sponsor, (b) supersede, nullify, or amend
8 any condition which may be imposed by the local jurisdiction in connection with approval of the
9 development described herein, (c) guarantee to Sponsor or any other party any profits from the
10 development of the Property, or (d) amend any local jurisdiction or County laws, codes or rules.

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

14 28. REAL PROPERTY ACQUIRED OR PUBLIC FACILITY CONSTRUCTED WITH
15 CDBG FUNDS. When CDBG funds are used, in whole or in part, by SPONSOR to acquire real
16 property or to construct a public facility, SPONSOR will comply with the Uniform Administrative
17 Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Section
18 200.311); National Environmental Policy Act of 1969 (42 U.S.C.A. §4321, et seq.); the California
19 Environmental Quality Act (Cal. Pub. Resources Code §21000, et seq.); the Uniform Relocation
20 Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. A. §4630, et
21 seq.); and the COUNTY's Five Year Consolidated Plan. In addition, the following is to occur:

- 22 a. Title to the real property shall vest in SPONSOR;
- 23 b. The real property will be held by SPONSOR, or the constructed facility will be
24 maintained by the SPONSOR, for a minimum period of five (5) years from the date the CDBG-
25 funded activity is closed-out and reported as complete by the COUNTY through the Comprehensive
26 Annual Performance and Evaluation Report (CAPER);
- 27 c. While held by SPONSOR, the real property or the constructed facility is to be
28 used exclusively for the purposes for which acquisition or construction was originally approved by

1 COUNTY;

2 d. Written approval from COUNTY must be secured if the property or the facility
3 is to be put to an alternate use that is consistent with the COUNTY'S Five Year Consolidated Plan
4 or the applicable federal regulations governing CDBG funds;

5 e. Should SPONSOR desire to use the real property or the constructed facility,
6 prior to the completion of the mandatory five-year period, for a purpose not consistent with
7 applicable federal regulations governing CDBG funds or to sell the real property or facility, then:

8 (1) If SPONSOR desires to retain title, SPONSOR will reimburse
9 COUNTY the amount that represents the percentage of current fair market value that is identical to
10 the percentage that CDBG funds initially comprised of monies paid to acquire the property or
11 construct the facility; or

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

17 29. ENTIRE AGREEMENT. This Agreement, including any attachments or exhibits
18 hereto constitutes the entire Agreement of the parties with respect to its subject matter and
19 supersedes all prior and contemporaneous representations, proposals, discussions and
20 communications, whether oral or in writing. No oral understanding or agreement not incorporated
21 herein shall be binding on any of the parties hereto. Each of the attachments and exhibits attached
22 hereto is incorporated herein by this reference.

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

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

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

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

9 34. SOURCE OF FUNDING. SPONSOR acknowledges that the source of funding
10 pursuant to this Agreement is a Community Development Block Grant (CFDA 14.218), and the
11 Grant Award Number is B-17-UC-06-0506

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

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

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

25 38. JURISDICTION AND VENUE. Any action at law or in equity arising under this
26 Agreement or brought by a party hereto for the purpose of enforcing, construing or determining the
27 validity of any provision of this Agreement shall be filed in the consolidated Courts of Riverside
28 County, State of California, and the parties hereto waive all provisions of law providing for the

1 filing, removal or change of venue to any other court or jurisdiction

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

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

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

12 42. FORCE MAJEURE.

13 a. Performance by either party hereunder shall not be deemed to be in default where
14 delays or defaults are due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires,
15 casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight
16 embargoes, lack of transportation, governmental restrictions or priority, litigation, unusually severe
17 weather, inability to secure necessary labor, material or tools, delays of any contractor, sub-
18 contractor or supplier, acts of the other party, acts or failure to act of a public or governmental
19 agency or entity, or any causes beyond the control or without the fault of the party claiming an
20 extension of time to perform.

21 b. An extension of time for any such cause (a "Force Majeure Delay") shall be for the
22 period of the enforced delay and shall commence to run from the time of the commencement of the
23 cause, if notice by the party claiming such extension is sent to the other party within thirty (30)
24 calendar days of knowledge of the commencement of the cause. Notwithstanding the foregoing,
25 none of the foregoing events shall constitute a Force Majeure Delay unless and until the party
26 claiming such delay and interference delivers to the other party written notice describing the event,
27 its cause, when and how such party obtained knowledge, the date the event commenced, and the
28

1 estimated delay resulting therefrom. Any party claiming a Force Majeure Delay shall deliver such
2 written notice within thirty (30) calendar days after it obtains knowledge of the event.

3 43. BINDING ON SUCCESSORS. SPONSOR, its heirs, assigns and successors in
4 interest, shall be bound by all the provisions contained in this Agreement, and all of the parties
5 thereto shall be jointly and severally liable hereunder.

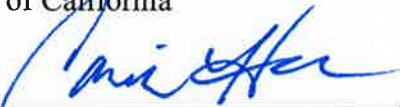
6 44. MODIFICATION OF AGREEMENT. This Agreement may be modified or amended
7 only by a writing signed by the duly authorized and empowered representatives of COUNTY and
8 SPONSOR, respectively.

9
10
11
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13 Remainder of Page Intentionally Blank

14 [Signatures on Following Page]
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1 IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates set forth
2 below.

3
4 COUNTY OF RIVERSIDE,
5 a political subdivision of the
6 State of California

7 BY: 
8 Carrie Harmon,
9 Assistant Director/EDA

RIVERSIDE COMMUNITY HOUSING CORP.,
a California non-profit public benefit corporation

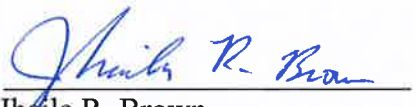
BY: 
Robert Field,
Chief Executive Officer

10 Date: _____

Date: _____

11
12 APPROVED AS TO FORM:
13 Gregory Priamos, County Counsel

APPROVED AS TO FORM:
General Counsel

14
15 By: 
16 Jhaila R. Brown,
17 Deputy County Counsel

By: 
Synthia Gunzel,
Chief Deputy County Counsel

EXHIBIT "R"

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24 C.F.R. § 5.109

**Equal participation of faith-based organizations in
HUD programs and activities.**

Effective: May 4, 2016

(a) Purpose.

Consistent with Executive Order 13279 (issued on December 12, 2002, 67 FR 77141), entitled "Equal Protection of the Laws for Faith-Based and Community Organizations," as amended by Executive Order 13559 (issued on November 17, 2010, 75 FR 71319), entitled "Fundamental Principles and Policymaking Criteria for Partnerships With Faith-Based and Other Neighborhood Organizations," this section describes requirements for ensuring the equal participation of faith-based organizations in HUD programs and activities. These requirements apply to all HUD programs and activities, including all of HUD's Native American Programs, except as may be otherwise noted in the respective program regulations in title 24 of the Code of Federal Regulations (CFR), or unless inconsistent with certain HUD program authorizing statutes.

b) Definitions. The following definitions apply to this section:

Direct Federal financial assistance means Federal financial assistance provided when a Federal Government agency or an intermediary, as defined in this section, selects the provider and either purchases services from that provider (i.e., via a contract) or awards funds to that provider to carry out an activity (e.g., via grant, sub-grant, sub-award, or cooperative agreement). The recipients of sub-grants or sub-awards that receive Federal financial assistance through State-administered programs (e.g., flow-through programs) are considered recipients of direct Federal financial assistance. In general, Federal financial assistance shall be treated as direct, unless it meets the definition of indirect Federal financial assistance.

Federal financial assistance means assistance that non-Federal entities receive or administer in the forms of grants, contracts, loans, loan guarantees, property, cooperative agreements, food commodities, direct appropriations, or other assistance, but does not include a tax credit, deduction, or exemption.

Indirect Federal financial assistance means Federal financial assistance provided when the choice of the provider is placed in the hands of the beneficiary, and the cost of that service is paid through a voucher, certificate, or other similar means of Government-funded payment. Federal financial assistance provided to an organization is considered indirect when the Government program through which the beneficiary receives the voucher, certificate, or other similar means of Government-funded payment is neutral

EXHIBIT "R"

(Page 2 of 6)

toward religion; the organization receives the assistance as a result of a decision of the beneficiary, not a decision of the Government; and the beneficiary has at least one adequate secular option for the use of the voucher, certificate, or other similar means of Government-funded payment.

Intermediary means an entity, including a nongovernmental organization, acting under a contract, grant, or other agreement with the Federal Government or with a State, tribal or local government that accepts Federal financial assistance and distributes that assistance to other entities that, in turn, carry out activities under HUD programs.

(c) Equal participation of faith-based organizations in HUD programs and activities.

Faith-based organizations are eligible, on the same basis as any other organization, to participate in HUD programs and activities. Neither the Federal Government, nor a State, tribal or local government, nor any other entity that administers any HUD program or activity, shall discriminate against an organization on the basis of the organization's religious character or affiliation, or lack thereof. In addition, decisions about awards of Federal financial assistance must be free from political interference or even the appearance of such interference and must be made on the basis of merit, not based on the religious character or affiliation, or lack thereof, of an organization.

(d) Separation of explicitly religious activities from direct Federal financial assistance.

(1) A faith-based organization that applies for, or participates in, a HUD program or activity supported with Federal financial assistance retains its independence and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct Federal financial assistance that it receives (e.g., via contract, grant, sub-grant, sub-award or cooperative agreement) to support or engage in any explicitly religious activities (including activities that involve overt religious content such as worship, religious instruction, or proselytization), or in any other manner prohibited by law.

(2) A faith-based organization that receives direct Federal financial assistance may use space (including a sanctuary, chapel, prayer hall, or other space) in its facilities (including a temple, synagogue, church, mosque, or other place of worship) to carry out activities under a HUD program without removing religious art, icons, scriptures, or other religious symbols. In addition, a faith-based organization participating in a HUD program or activity retains its authority over its internal governance, and may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

EXHIBIT "R"

(Page 3 of 6)

(e) Explicitly religious activities.

If an organization engages in explicitly religious activities (including activities that involve overt religious content such as worship, religious instruction, or proselytization), the explicitly religious activities must be offered separately, in time or location, from the programs or activities supported by direct Federal financial assistance and participation must be voluntary for the beneficiaries of the programs or activities that receive direct Federal financial assistance.

(f) Intermediary responsibilities to ensure equal participation of faith-based organizations in HUD programs.

If an intermediary—acting under a contract, grant, or other agreement with the Federal Government or with a State, tribal or local government that is administering a program supported by Federal financial assistance—is given the authority to select a nongovernmental organization to receive Federal financial assistance under a contract, grant, sub-grant, sub-award, or cooperative agreement, the intermediary must ensure that such organization complies with the requirements of this section. If the intermediary is a nongovernmental organization, it retains all other rights of a nongovernmental organization under the program's statutory and regulatory provisions.

(g) Beneficiary protections.

Faith-based organizations that carry out programs or activities with direct Federal financial assistance from HUD must give written notice to beneficiaries and prospective beneficiaries of the programs or activities describing certain protections available to them, as provided in this subsection. In addition, if a beneficiary or prospective beneficiary objects to the religious character of the organization carrying out the programs or activities, that organization must promptly undertake reasonable efforts to identify and refer the beneficiary or prospective beneficiary to an alternative provider to which the beneficiary or prospective beneficiary has no such objection.

(1) Written notice. The written notice must state that:

(i) The organization may not discriminate against a beneficiary or prospective beneficiary on the basis of religion, religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice;

(ii) The organization may not require beneficiaries to attend or participate in any explicitly religious activities that are offered by the organization, and any participation by beneficiaries in such activities must be purely voluntary;

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(Page 4 of 6)

(iii) The organization must separate, in time or location, any privately funded explicitly religious activities from activities supported by direct Federal financial assistance;

(iv) If a beneficiary objects to the religious character of the organization, the organization must undertake reasonable efforts to identify and refer the beneficiary to an alternative provider to which the beneficiary has no such objection; and

(v) Beneficiaries or prospective beneficiaries may report an organization's violation of these protections, including any denial of services or benefits by an organization, by contacting or filing a written complaint to HUD or the intermediary, if applicable.

(2) Timing of notice. The written notice must be given to prospective beneficiaries before they enroll in any HUD program or activity. When the nature of the program or activity or exigent circumstances make it impracticable to provide the written notice in advance, the organization must provide written notice to beneficiaries of their protections at the earliest available opportunity.

(3) Referral requirements.

(i) If a beneficiary or prospective beneficiary of a program or activity that receives direct Federal financial assistance from HUD objects to the religious character of an organization that carries out the program or activity, that organization must promptly undertake reasonable efforts to identify and refer the beneficiary or prospective beneficiary to an alternative provider to which the beneficiary or prospective beneficiary has no such objection.

(ii) A referral may be made to another faith-based organization, if the beneficiary or prospective beneficiary has no objection to that provider based on the provider's religious character. But if the beneficiary or prospective beneficiary requests a secular provider, and a secular provider is available, then a referral must be made to that provider.

(iii) Except for activities carried out by telephone, Internet, or similar means, the referral must be to an alternative provider that is in reasonable geographic proximity to the organization making the referral and that carries out activities that are similar in substance and quality to those offered by the organization. The alternative provider also must have the capacity to accept additional beneficiaries.

(iv) If the organization determines that it is unable to identify an alternative provider, the organization shall promptly notify the intermediary or, if there is no intermediary, HUD. If HUD or an intermediary is notified that an organization is unable to identify an alternative provider, HUD or the intermediary, as appropriate, shall promptly determine

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(Page 5 of 6)

whether there is any other suitable alternative provider to which the beneficiary or prospective beneficiary may be referred. An intermediary that receives a request for assistance in identifying an alternative provider may request assistance from HUD.

(4) Recordkeeping.

A faith-based organization providing a referral under paragraph (g)(3) of this section must document a beneficiary or prospective beneficiary's request for a referral, whether the beneficiary or prospective beneficiary was referred to another provider, to which provider the beneficiary or prospective beneficiary was referred, and if the beneficiary or prospective beneficiary contacted the alternative provider, unless the beneficiary or prospective beneficiary requests no follow up.

(h) Nondiscrimination requirements.

Any organization that receives Federal financial assistance under a HUD program or activity shall not, in providing services or carrying out activities with such assistance, discriminate against a beneficiary or prospective beneficiary on the basis of religion, religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice. However, this section does not require any organization that only receives indirect Federal financial assistance to modify its program or activities to accommodate a beneficiary that selects the organization to receive indirect aid.

(i) Exemption from Title VII employment discrimination requirements.

A religious organization's exemption from the Federal prohibition on employment discrimination on the basis of religion, set forth in section 702(a) of the Civil Rights Act of 1964 (42 U.S.C. 2000e-1), is not forfeited when the organization participates in a HUD program. Some HUD programs, however, contain independent statutory provisions that impose certain nondiscrimination requirements on all grantees. Accordingly, grantees should consult with the appropriate HUD program office to determine the scope of applicable requirements.

(j) Acquisition, construction, and rehabilitation of structures.

Direct Federal financial assistance may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under a HUD program or activity. Where a structure is used for both eligible and explicitly religious activities (including activities that involve overt religious content such as worship, religious instruction, or proselytization), direct Federal financial assistance may not exceed the cost of the share of acquisition, construction, or rehabilitation attributable to eligible activities in accordance with the cost accounting requirements applicable to

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the HUD program or activity. However, acquisition, construction, or rehabilitation of sanctuaries, chapels, or other rooms that a HUD-funded faith-based organization uses as its principal place of worship, may not be paid with direct Federal financial assistance. Disposition of real property by a faith-based organization after its use for an authorized purpose, or any change in use of the property from an authorized purpose, is subject to Government-wide regulations governing real property disposition (2 CFR part 200, subpart D) and the HUD program regulations, as directed by HUD.

k) Commingling of Federal and State, tribal, and local funds.

If a State, tribal, or local government voluntarily contributes its own funds to supplement direct Federal financial assistance for an activity, the State, tribal or local government has the option to segregate those funds or commingle them with the direct Federal financial assistance. However, if the funds are commingled, the requirements of this section apply to all of the commingled funds. Further, if a State, tribal, or local government is required to contribute matching funds to supplement direct Federal financial assistance for an activity, the matching funds are considered commingled with the direct Federal financial assistance and, therefore, subject to the requirements of this section. Some HUD programs' requirements govern any activity assisted under those programs. Accordingly, recipients should consult with the appropriate HUD program office to determine the scope of applicable requirements.

Credits

[[69 FR 41717](#), July 9, 2004; [80 FR 75934](#), Dec. 7, 2015; [81 FR 19416](#), April 4, 2016]

SOURCE: [61 FR 5202](#), Feb. 9, 1996; [61 FR 9041](#), March 6, 1996; [61 FR 9537](#), March 8, 1996; [61 FR 11113](#), March 18, 1996; [61 FR 13616](#), March 27, 1996; [61 FR 54498](#), Oct. 18, 1996; [70 FR 77743](#), Dec. 30, 2005; [73 FR 72340](#), Nov. 28, 2008; [75 FR 66258](#), Oct. 27, 2010; [77 FR 5674](#), Feb. 3, 2012; [80 FR 42352](#), July 16, 2015; [81 FR 19416](#), April 4, 2016; [81 FR 80798](#), Nov. 16, 2016; [81 FR 90657](#), Dec. 14, 2016, unless otherwise noted.

AUTHORITY: [12 U.S.C. 1701x](#); [42 U.S.C. 1437a](#), [1437c](#), [1437d](#), [1437f](#), [1437n](#), [3535\(d\)](#); Sec. 327, [Pub.L. 109-115](#), [119 Stat. 2936](#); Sec. 607, [Pub.L. 109-162](#), [119 Stat. 3051](#) ([42 U.S.C. 14043e et seq.](#)); [E.O. 13279](#), [67 FR 77141](#), [3 CFR, 2002 Comp.](#), p. 258; and [E.O. 13559](#), [75 FR 71319](#), [3 CFR, 2010 Comp.](#), p. 273.; [29 U.S.C. 794](#), [42 U.S.C. 1437a](#), [1437c](#), [1437c-1\(d\)](#), [1437d](#), [1437f](#), [1437n](#), [3535\(d\)](#), and Sec. 327, [Pub.L. 109-115](#), [119 Stat. 2936](#); [42 U.S.C. 3600-3620](#); [42 U.S.C. 5304\(b\)](#); [42 U.S.C. 12101 et seq.](#); [42 U.S.C. 12704-12708](#); [E.O. 11063](#), [27 FR 11527](#), [3 CFR, 1958-1963 Comp.](#), p. 652; [E.O. 12892](#), [59 FR 2939](#), [3 CFR, 1994 Comp.](#), p. 849.

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.A. 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

A. 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.

B. 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.

C. 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.

D. 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).

EXHIBIT A

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

I. GENERAL INFORMATION

SPONSOR NAME: Riverside Community Housing Corp.	DUNS#: 053543950
--	-------------------------

ADDRESS: 5555 Arlington Avenue
Riverside, CA 92504

PROGRAM CONTACTS: Thomas Lines, Building Maintenance Superintendent
--

PHONE: (951) 343-5408	FAX: (951) 688-6873
------------------------------	----------------------------

E-MAIL: tlines@rivco.org

PROJECT NAME: Affordable Housing Renovation and Modernization Project
--

PROJECT LOCATION: Beaumont Grove Apts.

LEVEL OF ENVIRONMENTAL CLEARANCE: Categorical Exclusion

CDBG ELIGIBILITY CODE: 24 CFR 570.208 (a)(3)

PROJECT FUNDING SUMMARY: **\$204,000**

II. SCOPE OF SERVICE**A. Activities**

Sponsor will be responsible for administering a **2017-2018** Community Development Block Grant for the **Affordable Housing Renovation and Modernization Project** 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 The Riverside Community Housing Corp. will use Community Development Block Grant funds for rehabilitation and modernization of kitchens, bathrooms, and flooring in 12 low income residential units at Beaumont Grove in the City of Beaumont.

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: 24 CFR 570.208 (a)(3)

CFR Reference: Low Mod Limited Clientele-Housing Activities

C. Levels of Accomplishment – Goals and Performance Measures

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

Activity #1 The Riverside Community Housing Corp. will use Community Development Block Grant funds for rehabilitation and modernization of kitchens, bathrooms, and flooring in 12 low income residential units at Beaumont Grove in the City of Beaumont.

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

EXHIBIT A

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 **\$204,000**. 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 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200).

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	CDBG Granted Funds	Total of Non- CDBG Funds	Total Activity/Project Budget	Notes
Design/Engineering Costs				
Project Administration Costs				
Construction Costs	\$204,000			
Acquisition Costs				
Relocations Costs				
Code Enforcement				
Clearance				
Administration				
Indirect Costs				
TOTAL CDBG BUDGET	\$204,000	0	\$204,000	

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

TYPE	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	TOTAL
FEDERAL	CDBG	\$204,000					\$204,000
STATE/LOCAL							
PRIVATE							
OTHER							

TOTAL: \$204,000**III. ADMINISTRATIVE REQUIREMENTS****A. Accounting Standards**

The Sponsor agrees to comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200), 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 the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200). 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 2 CFR 200; 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 four (4) 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 four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-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, the Single Audit Act, and the Office of Management and Budget (OMB) Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

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>
Complete Online Sponsor Training	April 2018	April 2018
Implement Project Activities	May 2018	-----
Execute Sponsor's Agreement & Notice to Incur Cost	April 2018	May 2018
<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Sponsor Submits Quarterly Performance Reports to County		June 30, 2018 Sept. 30, 2018
Specific Project Activities	At minimum, submit bi-weekly invoices/billings	
Sponsor Submits Reimbursement Requests		
Monthly Submittal <input checked="" type="checkbox"/>	May 15, 2018	August 15, 2018
Other Schedule <input type="checkbox"/>	_____	_____
CDBG-funded Project Complete	August 15, 2018	
Sponsor Submits Annual Direct Benefit Report	June 30, 2019	June 30, 2023

V. SPECIAL CONDITIONS /PERFORMANCE REQUIREMENTS

EXHIBIT B

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

I. GENERAL INFORMATION

SPONSOR NAME: Riverside Community Housing Corp. **DUNS#:** 053543950

ADDRESS: 5555 Arlington Avenue
Riverside, CA 92504

PROGRAM CONTACTS: Thomas Lines, Building Maintenance Superintendent

PHONE: (951) 343-5408 **FAX:** (951) 688-6873

E-MAIL: tlines@rivco.org

PROJECT NAME: Affordable Housing Renovation and Modernization Project

PROJECT LOCATION: Fairview Lake Townhomes

LEVEL OF ENVIRONMENTAL CLEARANCE: Categorical Exclusion

CDBG ELIGIBILITY CODE: 24 CFR Section 570.208 (a)(3)

PROJECT FUNDING SUMMARY: **\$272,000**

City of Lake Elsinore

II. SCOPE OF SERVICE

A. Activities

Sponsor will be responsible for administering a **2017-2018** Community Development Block Grant for the **Affordable Housing Renovation and Modernization Project** 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 The Riverside Community Housing Corp. will use Community Development Block Grant funds for rehabilitation and modernization of kitchens, bathrooms, and flooring in 16 low income residential units at Fairview Lake Townhomes in the City of Lake Elsinore.

EXHIBIT B

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: 24 CFR 570.208 (a)(3)

CFR Reference: Low Mod Limited Clientele-Housing Activities

C. Levels of Accomplishment – Goals and Performance Measures

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

Activity #1 The Riverside Community Housing Corp. will use Community Development Block Grant funds for rehabilitation and modernization of kitchens, bathrooms, and flooring in 16 low income residential units at Fairview Lake Townhomes in the City of Lake Elsinore.

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 B**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 **\$272,000**. 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 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200).

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	CDBG Granted Funds	Total of Non- CDBG Funds	Total Activity/Project Budget	Notes
Design/Engineering Costs				
Project Administration Costs				
Construction Costs	\$272,000			
Acquisition Costs				
Relocations Costs				
Code Enforcement				
Clearance				
Administration				
Indirect Costs				
TOTAL CDBG BUDGET	\$272,000	0	\$272,000	

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

TYPE	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	TOTAL
FEDERAL	CDBG	\$272,000					\$272,000
STATE/LOCAL							
PRIVATE							
OTHER							

TOTAL: \$272,000**III. ADMINISTRATIVE REQUIREMENTS****A. Accounting Standards**

The Sponsor agrees to comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200), 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 the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200). 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 2 CFR 200; and
- vii. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

EXHIBIT B**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 four (4) 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 four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

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EXHIBIT B

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Other Schedule <input type="checkbox"/>	_____	_____
CDBG-funded Project Complete	August 15, 2018	
Sponsor Submits Annual Direct Benefit Report	June 30, 2019	June 30, 2023

V. SPECIAL CONDITIONS /PERFORMANCE REQUIREMENTS

- 1 3. Representations, Certifications, and other Statements of Bidders (HUD-5369-A)
- 2 4. Bid Proposal, including:
- 3 a. Form of Bid or Form of Quote, as applicable.
- 4 b. Non-Collusive Affidavit
- 5 c. Designation of Subcontractors
- 6 5. Payment and Performance Bonds
- 7 6. Davis-Bacon Prevailing Wage Decision No. _____
- 8 7. General Conditions for Construction Contracts. Public Housing Programs HUD-5370
- 9 (11/2006)
- 10 8. Supplemental General Conditions
- 11 9. Drawings and photographs
- 12 10. Specifications
- 13 11. Addenda

ARTICLE 2

STATEMENT OF PROJECT WORK

16 2.1 Scope of Work

17 CONTRACTOR shall furnish all labor, material, equipment and services and perform and complete all
 18 Work for the PROJECT identified as the _____, for
 19 OWNER. CONTRACTOR shall perform all Work Monday to Friday, 7:30 a.m. to 5:30 p.m.

20 2.1.1. The full Scope of Work is described in the Contract Documents and more specifically in
 21 the approved plans and specifications.

22 2.1.2 All such Work shall be in strict accordance with the Contract, specifications, addenda thereto
 23 and the drawings included therein, all as prepared by OWNER.

24 2.2 Site Conditions

25 Data provided in the specifications and drawings are believed to depict the conditions to be encountered by
 26 the CONTRACTOR, but OWNER does not guarantee such data as being all-inclusive or complete in every
 27 respect. Nothing contained herein shall relieve CONTRACTOR from making any and all investigations

1 he/she may deem necessary to apprise him/herself of the Work. CONTRACTOR'S submission of its bid
2 and execution of this Contract constitutes its representation, acknowledgement and agreement that it had
3 sufficient time, access and opportunity prior to the bid closing to conduct a careful and thorough
4 examination, to its satisfaction of: the Contract Documents, and other information provided by OWNER
5 prior to bid closing concerning the PROJECT, site or existing improvements; the visible conditions at the
6 site and its surroundings, visible conditions of existing improvements and their existing uses, and local
7 conditions in the vicinity of the site; the status of any construction at the site concurrently under
8 construction; and all information concerning visible and concealed conditions above and below the surface
9 of the ground at the site and in existing improvements, including without limitation, surveys, reports, data,
10 as-built drawings of existing improvements and utility sources, that was either provided by OWNER to
11 CONTRACTOR or was reasonably available to CONTRACTOR for review in the public records.

12 **ARTICLE 3**

13 **TIME OF COMMENCEMENT AND COMPLETION**

14 3.1 Time for Completion

15 The Work, as defined in the General Conditions, to be performed under this Contract shall commence within
16 ten (10) days after a Notice to Proceed is received by the CONTRACTOR, or on the date specified in the
17 Notice, whichever is later, and shall be completed within _____ days following said date. Time is of
18 the essence under this Contract as to each provision in which time of performance is a factor.

19 3.2 Liquidated Damages

20 3.2.1 If the CONTRACTOR fails to complete the PROJECT within the time specified in the
21 Contract, or any extension, as specified in the clause entitled Default (General Conditions HUD-5370
22 Clause No. 32), the CONTRACTOR shall pay to OWNER as liquidated damages, the sum of Three
23 Hundred Dollars (\$300) for each day of delay. If different completion dates are specified in the Contract
24 for separate parts or stages of the Work, the amount of liquidated damages shall be assessed on those parts
25 or stages which are delayed. To the extent that the CONTRACTOR'S delay or nonperformance is excused
26 under another clause in this Contract, liquidated damages shall not be due OWNER. The CONTRACTOR
27 remains liable for damages caused other than by delay.

1 3.2.2 If OWNER terminates the CONTRACTOR'S right to proceed, the resulting damage will
2 consist of liquidated damages until such reasonable time as may be required for final completion of the
3 PROJECT together with any increased costs occasioned by OWNER in completing the PROJECT.

4 3.2.3 If OWNER does not terminate the CONTRACTOR'S right to proceed, the resulting damage
5 will consist of liquidated damages until the PROJECT is completed or accepted.

6 **ARTICLE 4**

7 **CONTRACT SUM**

8 4.1 OWNER shall pay the CONTRACTOR for the performance of the Work, subject to the additions
9 and/or deductions by Change Order(s) as provided in this Contract, the sum of \$ _____
10 (Contract Sum).

11 The CONTRACTOR exceeds the Contract Sum amount at his/her own risk. The CONTRACTOR
12 is under no obligation to provide additional services that would cause the CONTRACTOR's fees to exceed
13 the Contract Sum without prior revision of this amount by written change order.

14 4.1.1 All construction contracts for construction, alternation, or repair (including painting and
15 decorating) of public buildings or public works, in excess of \$2,000 in which federal funds are used, shall
16 be subject to Davis-Bacon Act (40 U.S.C. 40 U.S.C. §§ 3141-3148) prevailing wage laws.
17 CONTRACTOR represents and warrants that s/he shall pay her/his employees and all individuals
18 performing Work, not less than the prevailing wage rate as determined by the U.S. Department of Labor
19 (www.wdol.gov).

20 Prevailing wage rates are amended/modified from time to time, and the most current wage decision is
21 available from OWNER. CONTRACTOR shall abide by the Federal Labor Standards Provisions (HUD-
22 5370 Clause No. 46).

23 4.2 The Contract Sum set forth herein includes the payment by CONTRACTOR of all sales and use
24 taxes required by local codes, or any law existing or which may hereafter be adopted by federal, state or
25 governmental authority, taxing the materials, services required or labor furnished, and of any other tax
26 levied by reason of the Work to be performed hereunder.

1 4.3 The Contract Sum is not subject to escalation, the CONTRACTOR having satisfied him/herself that
2 the Contract Sum includes all labor and material increases anticipated throughout the duration of this
3 Contract.

4 **ARTICLE 5**

5 **PROGRESS PAYMENTS**

6 5.1 Based upon applications for payment submitted by the CONTRACTOR to OWNER, and
7 certificates for payment issued by the Architect/Consultant, if any, OWNER shall make progress payments
8 on account of the Contract Sum to the CONTRACTOR, as provided in the General Conditions of the
9 Construction Documents.

10 5.2 OWNER shall promptly review applications for payment and provide its approval or disapproval,
11 in whole or in part, within fifteen (15) calendar days after receipt of an application for payment requesting
12 progress payment. Approved applications for progress payments will be paid by the 30th day of each month,
13 provided that the application for payment has been submitted to OWNER on or before the first working day
14 of the month.

15 **ARTICLE 6**

16 **INDEMNIFICATION AND HOLD HARMLESS**

17 6.1 CONTRACTOR shall indemnify and hold harmless OWNER, County of Riverside, its Agencies,
18 Districts, Special Districts and Departments, their respective directors, officers, Board of Commissioners,
19 Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually
20 and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, including but not
21 limited to property damage, bodily injury or death, based or asserted upon any services of CONTRACTOR,
22 its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this
23 Contract. CONTRACTOR shall defend at its sole expense and pay all costs and fees, including but not
24 limited to, attorney fees, costs of investigation, defense and settlements or awards, on behalf of the
25 Indemnitees, in any claim or action based upon such services.

26 6.2 With respect to any action or claim subject to indemnification herein by CONTRACTOR,
27 CONTRACTOR shall, at their sole cost, have the right to use counsel of their choice and shall have the
28

1 right to adjust, settle, or compromise any such action or claim without the prior consent of OWNER;
2 provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or
3 circumscribes CONTRACTOR'S indemnification to the Indemnitees as set forth herein.

4 6.3 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided
5 OWNER the appropriate form of dismissal relieving OWNER from any liability for the action or claim
6 involved.

7 6.4 The specified insurance limits required in this Construction Contract shall in no way limit or
8 circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from
9 third party claims.

10 6.5 In the event there is a conflict between this clause and California Civil Code Section 2782, this
11 clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the
12 CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

13 **ARTICLE 7**

14 **INSURANCE**

15 7.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold OWNER
16 harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and
17 expense, the following insurance coverages during the term of this Contract. As respects to this insurance
18 section only, OWNER herein includes and refers to the Riverside Community Housing Corp., the Housing
19 Authority of the County of Riverside, the County of Riverside, its Agencies, Districts, Special Districts,
20 and Departments, their respective directors, officers, Board of Directors, Board of Supervisors, employees,
21 elected or appointed officials, agents or representatives as Additional Insureds.

22 7.1.1. Workers' Compensation:

23 If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall
24 maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State
25 of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with
26 limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation
27 in favor of OWNER.

1 7.1.2 Commercial General Liability:

2 Commercial General Liability insurance coverage, including but not limited to, premises liability,
3 unmodified contractual liability, products and completed operations liability, personal and advertising
4 injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S
5 performance of its obligations hereunder. Policy shall name OWNER as Additional Insured. Policy's limit
6 of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains
7 a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the
8 occurrence limit.

9 7.1.3 Vehicle Liability:

10 If vehicles or mobile equipment are used in the performance of the obligations under this Contract, then
11 CONTRACTOR shall maintain liability insurance for all owned, non-owned or hired vehicles so used in
12 an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a
13 general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the
14 occurrence limit. Policy shall name OWNER as Additional Insureds.

15 7.1.4 Course of Construction Insurance:

16 During the full term of construction, CONTRACTOR shall purchase and maintain or cause to be maintained
17 All Risk Builder's Risk insurance (Completed Value Form) including earthquake and flood for the entire
18 PROJECT, if applicable, including coverage for materials and supplies located on and offsite but to be part
19 of, or used in the construction of, the completed PROJECT. Policy shall also include as insured property,
20 scaffolding, falsework, and temporary buildings located on the PROJECT site, and the cost of demolition
21 and debris removal. If the CONTRACTOR or others insure scaffolding, falsework and temporary buildings
22 separately, evidence of such separate coverage shall be provided to OWNER prior to the start of the Work.
23 The Course of Construction coverage limit of insurance shall equal or exceed the highest values exposed to
24 loss at any one time during the PROJECT term. Policy shall waive subrogation in favor of all of OWNER,
25 Agencies, Districts, Special Districts, and Departments of the County of Riverside, their respective
26 directors, officers, Board of Directors, Board of Supervisors, employees, elected or appointed officials,
27 agents or representatives.
28

1 7.1.5 General Insurance Provisions - All lines:

- 2 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State
3 of California and have an A M BEST rating of not less than A: VIII (A:8) unless such
4 requirements are waived, in writing, by the Riverside County Risk Manager acting as Risk
5 Manager for OWNER. If the County's Risk Manager waives a requirement for a particular
6 insurer such waiver is only valid for that specific insurer and only for one policy term.
- 7 2) The CONTRACTOR must declare its insurance self-insured retention for each coverage
8 required herein. If any such self-insured retention exceed \$500,000 per occurrence each such
9 retention shall have the prior written consent of the County Risk Manager before the
10 commencement of operations under this Contract. Upon notification of self-insured retention
11 unacceptable to OWNER, and at the election of the County's Risk Manager,
12 CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as
13 respects this Contract with OWNER, or 2) procure a bond which guarantees payment of
14 losses and related investigations, claims administration, and defense costs and expenses.
- 15 3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish OWNER with
16 either 1) a properly executed original Certificate(s) of Insurance and certified original copies
17 of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or
18 in writing by the County Risk Manager, provide original Certified copies of policies
19 including all Endorsements and all attachments thereto, showing such insurance is in full
20 force and effect. Further, said Certificate(s) and policies of insurance shall contain the
21 covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to
22 OWNER prior to any material modification, cancellation, expiration or reduction in
23 coverage of such insurance. In the event of a material modification, cancellation, expiration,
24 or reduction in coverage, this Contract shall terminate forthwith, unless OWNER receives,
25 prior to such effective date, another properly executed original Certificate of Insurance and
26 original copies of endorsements or certified original policies, including all endorsements and
27 attachments thereto evidencing coverage's set forth herein and the insurance required herein
28

1 is in full force and effect. *CONTRACTOR shall not commence operations until the OWNER*
2 *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, showing that*
5 *such insurance is in full force and effect. An individual authorized by the insurance carrier*
6 *to do so on its behalf shall sign the original endorsements for each policy and the Certificate*
7 *of Insurance.*

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

11 5) If, during the term of this Contract or any extension thereof, there is a material change in the
12 Scope of Work; or, there is a material change in the equipment to be used in the performance
13 of the Scope of Work; or, the term of this Contract, including any extensions thereof, exceeds
14 five (5) years; OWNER reserves the right to adjust the types of insurance and the monetary
15 limits of liability required under this Construction Contract, if in the County Risk Manager's
16 reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has
17 become inadequate.

18 6) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of
19 subcontractors working under this Contract.

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

22 8) CONTRACTOR agrees to notify OWNER of any claim by a third party or any incident or
23 event that may give rise to a claim arising from this Contract.

24 **ARTICLE 8**

25 **PROJECT CLOSEOUT**

26 8.1 Prior to occupancy of any dwelling unit, building, or completion of the PROJECT, OWNER shall
27 receive a certificate from CONTRACTOR that such portion of the PROJECT is ready for occupancy or
28

1 use, and shall cause a Notice of Completion to be issued. A Notice of Completion shall be issued only
2 when the Work, including all phases thereof, is finally completed, and all requirements of this Contract
3 have been satisfied. OWNER shall cause the Notice of Completion to be recorded in the office of the
4 Riverside County Recorder.

5 8.2 In addition to all other requirements, a Notice of Completion shall be issued only when OWNER
6 has received the following:

7 1. A Certificate of Completion executed by the OWNER.

8 2. All guarantees and warranties issued by the manufacturers or installers of appliances or other
9 component parts of the Work. CONTRACTOR guarantees that the equipment, materials, and
10 workmanship, not otherwise covered by a guarantee or warranty, will be free from defects in materials and
11 workmanship for a period of one year following final acceptance of the PROJECT.

12 3. The waiver and release of all liens, claims of liens, or stop notice rights of the
13 CONTRACTOR and all subcontractors, and the CONTRACTORS' Certificate and Release.

14 4. Verification from OWNER that CONTRACTOR has removed all waste materials, rubbish,
15 tools, construction equipment, machinery, and surplus materials from the PROJECT site. If the
16 CONTRACTOR has failed to remove any such items, OWNER may remove such items, and the
17 CONTRACTOR shall pay OWNER for all costs incurred in connection with such removal.

18 8.3 After recordation of the Notice of Completion, and expiration of the thirty (30) days period for filing
19 of stop notices, OWNER shall settle all claims and disputes, notify the CONTRACTOR of final acceptance
20 of the PROJECT and make the final five percent (5%) retention payment, less any amounts which OWNER
21 is entitled to receive from the CONTRACTOR under the terms of this Construction Contract, including
22 liquidated damages.

23 **ARTICLE 9**

24 **APPLICABLE LAWS AND REGULATIONS**

25 9.1 24 CFR 85.36 (i), Procurement: Pursuant to this CFR as issued by the Office of the Secretary,
26 HUD, OWNER and the CONTRACTOR each agree to comply with the following provisions:

27 9.1.1 Executive Order 11246.
28

1 For all construction contracts awarded in excess of \$10,000, CONTRACTOR hereby agrees to comply with
2 Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by
3 Executive Order 11375 of October 13, 1967, as amended by Executive Order 13672 of July 21, 2014, and
4 as supplemented in Department of Labor Regulations (41 CFR Chapter 60).

5 9.1.2 Copeland "Anti-Kickback Act"

6 For all construction or repair contracts awarded, CONTRACTOR hereby agrees to comply with the
7 Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor Regulations (29
8 CFR Part 3).

9 9.1.3 Davis-Bacon Act

10 For all construction contracts in excess of \$2,000, when required by Federal Grant Program legislation,
11 CONTRACTOR hereby agrees to comply with the Davis-Bacon Act (40 U.S.C. §§ 3141-3148) as
12 supplemented in Department of Labor Regulations (29 CFR Part 5). A prevailing wage rate including
13 basic hourly rate and any fringe benefits determined under State law shall be inapplicable to a contract or
14 OWNER performed work item for the development, maintenance, and modernization of a project (24 CFR
15 Part 965.101).

16 9.1.4 Contract Work Hours and Safety Standards Act Sections 103 and 107

17 For all construction contracts awarded by OWNER in excess of \$2,000, and for other contracts which
18 involve the employment of mechanics or laborers awarded in excess of \$2,500, CONTRACTOR agrees to
19 comply with Sections 103 and 107 of the Contract Work Hours and Safety Act (40 U.S.C. 3701-3703) as
20 supplemented in Department of Labor Regulations (29 CFR Part 5).

21 9.1.5 Clean Air Act.

22 For all contracts in excess of \$100,000, the CONTRACTOR hereby agrees to comply with all applicable
23 standards, orders or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 7401), Section
24 508 of the Clean Water Act (33 U.S. C. 1368), Executive Order 11738.

25 9.1.6 Energy Policy and Conservation Act.
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1 The CONTRACTOR hereby agrees to comply with all mandatory standards and policies relating to energy
2 efficiency, which are contained in the state energy conservation plan issued in compliance with the Energy
3 Policy and Conservation Act (Pub. L. No. 94-163, 89 Stat. 871).

4 9.1.7 Labor Code Section 1861 Certification.

5 By signing this Contract below, CONTRACTOR certifies that s/he/it is aware of the provisions of Section
6 3700 of the California Labor Code which require every employer to be insured against liability for Worker's
7 Compensation or to undertake self-insurance in accordance with the provisions of the California Labor
8 Code, and that s/he/it will comply with such provisions before commencing the performance of the Work.

9 9.1.8 Government Standards.

10 It is the responsibility of the CONTRACTOR to ensure that all items and services provided conform to all
11 local, State and Federal law concerning safety (CalOSHA) and environmental control (EPA and California
12 Pollution Regulations) and any other enacted ordinance, code, law or regulation. The CONTRACTOR
13 shall be responsible for all costs incurred for compliance with any such possible ordinance, code, law or
14 regulation. No time extensions shall be granted or financial consideration given to the CONTRACTOR for
15 time or monies lost due to violations of any such ordinance, code, law or regulations that may occur.

16 **ARTICLE 10**

17 **ADDITIONAL FEDERALLY REQUIRED ORDERS/ASSURANCES**

18 10.1 CONTRACTOR agrees that s/he/it will comply with the following orders and directives, and
19 makes the following assurances, where applicable:

20 10.1.1 Executive Order 11063 of November 20, 1962, as amended, which directs the Secretary of
21 HUD to take all action which is necessary and appropriate to prevent discrimination by agencies that utilize
22 federal funds.

23 10.1.2 Title VI of the Civil Rights Act of 1964 (Public Law 88-352) provides that no person in the
24 United States shall, on the basis of race, color, national origin or sex, be excluded from participation in,
25 denied the benefits of, or subjected to, discrimination under any program or activity which receives federal
26 financial assistance. OWNER hereby extends this requirement to CONTRACTOR and its subcontractors
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1 and consultants. Specific prohibited discriminatory actions and corrective action are described in Chapter
2 2, Subtitle C, Title V of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et. seq.).

3 10.1.3 Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et. seq.), popularly known as the
4 Fair Housing Act, provides for fair housing throughout the United States and prohibits any person from
5 discriminating in the sale or rental of housing, the financing of housing or the provision of brokerage
6 services, including in any way making unavailable or denying a dwelling to any person because of race,
7 color, religion, sex or national origin. Pursuant to this statute, OWNER requires that CONTRACTOR
8 administer all programs and activities, which are related to housing and community development, in such
9 a manner as affirmatively to further fair housing.

10 10.1.4 Age Discrimination Act of 1975 (42 U.S.C. 6101).

11 10.1.5 Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et. seq.).

12 10.1.6 HUD Information Bulletin 909-23 which is the Notice of Assistance Regarding Patent and
13 Copyright Infringement (48 CFR. 52.227-2); Clean Air and Water Certification; and Energy Policy and
14 Conversation Act.

15 10.1.7 That the funds provided by OWNER and HUD hereunder shall not be used, directly or
16 indirectly, to employ, award a contract to, or otherwise engage the services of any debarred, suspended or
17 ineligible contractor.

18 10.1.8 That none of the personnel who are employed in the administration of the Work required by
19 this Contract shall, in any way or to any extent, be engaged in conduct of political activities in violation of
20 Title V, Chapter 15, of the United States Code.

21 10.3 The mention herein of any statute or Executive Order is not intended as an indication that such
22 statute or Executive Order is necessarily applicable, nor is the failure to mention any statute or Executive
23 Order intended as an indication that such statute or Executive Order is not applicable. Therefore, each
24 provision of law and each clause, which is required by law to be inserted into this Contract, shall be deemed
25 to have been inserted herein, and this Contract shall be read and enforced as though such provision or clause
26 had been physically inserted herein. If, through mistake or otherwise, any such provision is not inserted or
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1 is inserted incorrectly, this Contract shall forthwith be physically amended to make such insertion or
2 correction upon the application of either part.

3 **ARTICLE 11**

4 **HUD SECTION 3 REQUIREMENTS**

5 11.1 As detailed within 24 CFR 135.38, Section 3 clause, the following required clauses are hereby
6 included as a part of this Contract.

7 11.1.1 The Work to be performed under this Contract is subject to the requirements of Section 3 of
8 the Housing and Urban Development Act of 1968, as amended 12 U.S.C. 1701u (Section 3). The purpose
9 of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance
10 or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and
11 very low-income persons, particularly persons who are recipients of HUD assistance.

12 11.1.2 CONTRACTOR agrees to comply with HUD's regulations in 24 CFR Part 135, which
13 implement Section 3. As evidenced by the execution of this Contract, CONTRACTOR certifies that s/he/it
14 is under no contractual or other impediment that would prevent her/him/it from complying with the Part
15 135 regulations.

16 11.1.3 CONTRACTOR agrees to send to each labor organization or representative of workers with
17 which the CONTRACTOR has a collective bargaining agreement or other understanding, if any, a notice
18 advising the labor organization or workers' representative of the CONTRACTOR'S commitments under
19 this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both
20 employees and applicants for training and employment positions can see the notice. The notice shall
21 describe the Section 3 preference, shall set forth minimum number and job titles for each; and the name and
22 location of the person(s) taking applications for each of the positions; and the anticipated date the work
23 shall begin.

24 11.1.4 CONTRACTOR agrees to include this Section 3 clause in every subcontract subject to
25 compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an
26 applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is
27 in violation of the regulations in 24 CFR Part 135. CONTRACTOR will not subcontract with any
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1 subcontractor where the CONTRACTOR has notice or knowledge that the subcontractor has been found in
2 violation of the regulations in 24 CFR Part 135.

3 11.1.5 CONTRACTOR certifies that any vacant employment positions, including training
4 positions, that are filled (1) after CONTRACTOR is selected but before the Contract is executed, and (2)
5 with persons other than those to whom the regulations of 24 CFR Part 135 require employment
6 opportunities to be directed, were not filled to circumvent the CONTRACTOR's obligations under 24 CFR
7 Part 135.

8 11.1.6 Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions,
9 termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.

10 11.1.7 With respect to the work performed in connection with Section 3 covered Indian Housing
11 assistance, of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5307) also applies to
12 the Work to be performed under this Contract. Section 5307 requires that to the greatest extent feasible,
13 (b)(1) preferences and opportunities for training and employment shall be given to Indians, and (b)(2)
14 preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-
15 owned Economic Enterprises. Parties to this Contract that are subject to the provisions of Section 3 and
16 section 5307 agree to comply with Section 3 to the maximum extent feasible, but not in derogation of
17 compliance with section 5307.

18 **ARTICLE 12**

19 **BREACH AND TERMINATION**

20 12.1 Waiver by OWNER of any breach of this Contract shall not constitute a waiver of any other breach
21 or of any future breach. No payment made hereunder shall be construed to be an acceptance of defective
22 work or improper materials.

23 12.2 Termination for Default (Cause) or Convenience as detailed in HUD 5370 General Conditions
24 Clause 32 and 34.

25 12.3 In addition to any right of termination reserved to OWNER by Clause 32 or 34 of HUD 5370 General
26 Conditions, OWNER may terminate this Contract if the CONTRACTOR is adjudged bankrupt, a receiver
27 is appointed because of the CONTRACTOR's insolvency, or the CONTRACTOR makes a general
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1 assignment for the benefit of his/her creditors, fails to make prompt payment to subcontractor(s), or for
2 material or labor, persistently disregards laws, ordinances, rules, regulations or orders of any public
3 authority having jurisdiction, fails to construct the PROJECT in accordance with the Drawings and
4 Specifications, or otherwise substantially violates any provision of the Contract Documents.

5 12.3 OWNER shall give the CONTRACTOR and his surety five (5) days written notice prior to
6 terminating this Contract pursuant to this section, provided however, that the CONTRACTOR shall, upon
7 receipt of such notice, immediately stop the installation of improvements or other permanent construction
8 work encompassing part of the PROJECT. Upon termination, OWNER may take possession of the
9 PROJECT and all materials, equipment, tools and construction equipment and machinery owned by the
10 CONTRACTOR and located at the PROJECT site and may finish the PROJECT by whatever method it
11 may deem expedient. In such case, the CONTRACTOR shall not be entitled to receive any further payment
12 under this Contract.

13 12.4 OWNER shall not be deemed to have waived any of its other rights or remedies against the
14 CONTRACTOR by exercising its right of termination under this section.

15 12.5 Any action at law or in equity brought by either of the Parties hereto for the purpose of enforcing a
16 right or rights provided for by this Contract shall be tried in a court of competent jurisdiction in the County
17 of Riverside, State of California, and the Parties hereby waive all provisions of law providing for a change
18 of venue in such proceedings to any other county.

19 **ARTICLE 13**

20 **CLAIMS RESOLUTION**

21 13.1 This Section 13 is intended to help resolve disputes between the Parties related to this PROJECT.
22 Such disputes shall be brought to the attention of the OWNER at the earliest possible time, so that such
23 disputes may be promptly resolved, if possible, or other appropriate action or investigation may be promptly
24 undertaken. Public works claims which arise between the CONTRACTOR and the OWNER shall be
25 resolved using the following procedure:

26 13.1.1 A "claim" means a separate demand by the CONTRACTOR sent by registered mail
27 or certified mail return receipt requested for one or more of the following: (a) a time extension including,
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1 without limitation, for relief from damages or penalties for delay assessed by the OWNER; (b) payment by
2 the OWNER of money or damages arising from Work done by or on behalf of the CONTRACTOR and
3 payment for which is not otherwise expressly provided or to which the CONTRACTOR is not otherwise
4 entitled; (c) payment of an amount that is disputed by the OWNER. The CONTRACTOR shall furnish
5 reasonable documentation to support the claim.

6 13.1.2 Upon receipt of a claim, OWNER shall conduct a reasonable review of the claim and
7 within 45 days, or an extended period as may be set by mutual agreement of the Parties, provide the
8 CONTRACTOR with a written statement identifying what portion of the claim is still disputed and what
9 portion is undisputed. (If consultation with the Board of Directors is required, the OWNER may have
10 additional time as stated in California Public Contract Code Section 9204.) Any payment due on an
11 undisputed portion of the claim shall be processed and made within 60 days after the OWNER issues its
12 written statement.

13 13.1.3 If the OWNER fails to issue a written statement, the claim shall be deemed rejected
14 in its entirety. A claim that is denied by reason of the OWNER's failure to respond to a claim, or its failure
15 to otherwise meet the applicable time requirements, shall not constitute an adverse finding with regard to
16 the merits of the claim or the responsibility or qualifications of the CONTRACTOR.

17 13.1.4 If the CONTRACTOR disputes the OWNER's written response, or if the OWNER
18 fails to respond within the time prescribed, the CONTRACTOR may demand in writing, sent by registered
19 mail or certified mail return receipt requested, an informal meet and confer conference to attempt to reach
20 settlement of the portion of the claim in dispute. Upon receipt of the demand, the OWNER shall schedule
21 a meet and confer conference within 30 days.

22 13.1.5 Within 10 business days following the conclusion of the meet and confer conference,
23 if the claim or any portion thereof remains in dispute, the OWNER shall provide the CONTRACTOR a
24 written statement identifying the portion of the claim that remains in dispute and the portion that is
25 undisputed. Any payment due on an undisputed portion shall be processed and made within 60 days after
26 the OWNER issues its written statement.

1 of OWNER, be canceled and ordered from another source, if, in the opinion of the Contracting Officer, it
2 is in the best interests of OWNER to do so.

3 14.3 It is hereby declared to be the intention of the Parties that the sections, paragraphs, sentences, clauses
4 and phrases of this Contract are severable, and if any phrase, clause, sentence, paragraph or section of this
5 Contract shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a
6 court of competent jurisdiction, such unconstitutionality, invalidity or unenforceability shall not affect any
7 of the remaining clauses, sentences, paragraphs and sections of this Contract.

8 14.4 In the event of a conflict between the HUD 5370 General Conditions and the Specifications, the
9 General Conditions shall prevail. In the event of duplication of provisions between the HUD 5370 General
10 Conditions and the Supplemental General Conditions, the most stringent provision shall prevail. In the
11 event of a conflict between the Contract and any applicable state or local law or regulation, the state or local
12 law or regulation shall prevail; provided that such state or local law or regulation does not conflict with, or
13 is less restrictive than applicable federal law, regulation, or Executive Order. In the event of such a conflict,
14 applicable federal law, regulation, and Executive Order shall prevail.

15 14.5 The persons executing this Contract on behalf of the Parties warrant and represent that they have
16 the authority to execute this Contract on behalf of each respective Party and further warrant and represent
17 that they have the authority to bind each respective Party to the performance of its obligation hereunder.

18 **(Remainder of Page Intentionally Blank)**

19
20 **(Signatures on next page)**

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1 THIS CONTRACT IS OF NO FORCE OR EFFECT UNTIL APPROVED BY THE RIVERSIDE
2 COMMUNITY HOUSING CORP.'S BOARD OF DIRECTORS AND EXECUTED BY ITS
3 CHAIRPERSON.

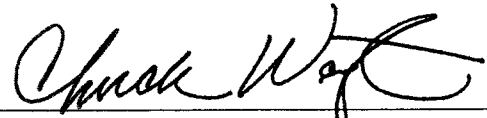
4 IN WITNESS WHEREOF, the Parties hereto have executed this Contract as of the day and year set forth
5 below. If the Parties execute this Contract on more than one date, then the last date this Contract is executed
6 by a Party shall be the Effective Date.

7 **OWNER:**

CONTRACTOR:

8 RIVERSIDE COMMUNITY HOUSING
9 CORP., a California nonprofit public benefit
10 corporation

[Company Name], a
California corporation

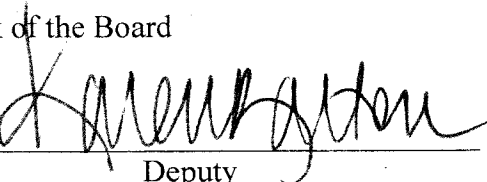
11
12 By: 
13 Chuck Washington, Chairperson
Board of Directors

By: _____
[Name], [Title]

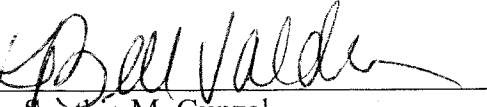
14
15 Dated: APR 24 2018

Dated: _____

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

19
20 By: 
Deputy

21
22 APPROVED AS TO FORM:
GREGORY P. PRIAMOS
23 GENERAL COUNSEL

24
25 By: 
26 Cynthia M. Gunzel,
supervisor Chief Deputy General Counsel