

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



**ITEM:** 3.16  
(ID # 26033)

**MEETING DATE:**  
Tuesday, October 29, 2024

**FROM :** HOUSING AND WORKFORCE SOLUTIONS


**SUBJECT:** HOUSING AND WORKFORCE SOLUTIONS (HWS): Approve Substantial Amendments to the 2022-2023 and 2023-2024 One Year Action Plan of the 2019-2024 Five Year Consolidated Plan to amend 1.LE.84-22 City Park Improvements in Lake Elsinore, 3.MR.76-23 Pedestrian Safety Enhancement Project in Murrieta, and to add Sandstone Apartments Project in Murrieta, Cambern Apartment Project in Lake Elsinore, Villa Verde Apartment Project in Coachella; Ratify and Approve the Amended and Restated Supplemental Agreements with Cities of Lake Elsinore and Murrieta; Districts 2, 3, and 4. [\$10,219,585; 12% CDBG Funds, 88% HOME Funds] (CEQA and NEPA Exempt)

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Find that the Substantial Amendments to the 2022-2023 and 2023-2024 One Year Action Plan of the 2019-2024 Five Year Consolidated Plan are exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3);

Continued on Page 2

**ACTION:Policy**

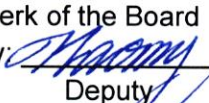
  
Heidi Marshall, Director 9/25/2024

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**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: October 29, 2024  
xc: HWS

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

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**RECOMMENDED MOTION:** That the Board of Supervisors:

2. Find that Substantial Amendments to the 2022-2023 and 2023-2024 One Year Action Plan of the 2019-2024 Five Year Consolidated Plan are exempt from the National Environmental Policy Act (NEPA) pursuant to Title 24 Code of Federal Regulations Section 58.34(a)(1) and (a)(3);
3. Approve the Substantial Amendment to the 2022-2023 One Year Action Plan of the 2019-2024 Five Year Consolidated Plan to change the project description for Community Development Block Grant (CDBG) activity 1.LE.84-22 - City Park Improvement Project more fully described in Attachment A, attached hereto;
4. Approve the Substantial Amendment to the 2022-2023 One Year Action Plan of the 2019-2024 Five Year Consolidated Plan to add a new HOME activity referred as the Sandstone Apartments in the City of Murrieta, more fully described in Attachment B, attached hereto;
5. Approve the Substantial Amendment to the 2023-2024 One Year Action Plan of the 2019-2024 Five Year Consolidated Plan to add new project locations and increase CDBG funding to the Community Development Block Grant (CDBG) activity of the 3.MR.76-23 - Pedestrian Safety Enhancement Project more fully described in Attachment C, attached hereto;
6. Approve the Substantial Amendment to the 2023-2024 One Year Action Plan of the 2019-2024 Five Year Consolidated Plan to add a new HOME activity referred as the Cambren Apartments in the City of Lake Elsinore, more fully described in Attachment D, attached hereto;
7. Approve the Substantial Amendment to the 2023-2024 One Year Action Plan of the 2019-2024 Five Year Consolidated Plan to add a new HOME activity referred as the Villa Verde Apartments in the City of Coachella, more fully described in Attachment E, attached hereto;
8. Ratify and approve the attached Amended and Restated Supplemental Agreement for the City of Lake Elsinore's 1.L.E.84-22 City Park Improvements in an amount not to exceed \$431,287 in Community Development Block Grant Funds from January 23, 2023 through June 30, 2026, and authorize Chair of the Board to execute three (3) copies of Amended and Restated Supplemental Agreement on behalf of the County;
9. Ratify and approve the attached Amended and Restated Supplemental Agreement for the City of Murrieta's 3.MR.76-23 Pedestrian Safety Enhancement Project in an amount not to exceed \$788,298 in Community Development Block Grant Funds and extend agreement term from June 30, 2023, through June 30, 2026, and authorize Chair of the Board to execute three (3) copies of Amended and Restated Supplemental Agreement on behalf of the County;
10. Direct staff to file the Notice of Exemption with the County Clerk within five business days of approval; and,
11. Direct Clerk of the Board to retain one (1) copy of each of the Amended and Restated Supplemental Agreements and return two (2) copies of each of the Amended and Restated Supplemental Agreements to HWS for distribution.



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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$10,219,585	\$ 0	\$10,219,585	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> 12% Community Development Block Grant Funds, 88% HOME Investment Partnerships Program Funds			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 24/25	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The U.S. Department of Housing and Urban Development (HUD) requires that all substantial amendments to the County's Five Year Consolidated Plan and the One Year Action Plans are subject to the Citizen Participation Plan and are approved by the Board of Supervisors and HUD. In accordance with the County of Riverside's Amended Citizen Participation Plan for the 2019-2024 Five-Year Consolidated Plan (Citizen Participation Plan), all new activities added to a One Year Action Plan, any significant increases in funding or changes to an existing project, or other changes or amendments to the 2019-2024 Five Year Consolidated Plan are considered to be substantial amendments.

Staff has determined that the proposed Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) projects warranting these substantial amendments are eligible activities that meet a program's National Objective. Attachments A, B, C, D, E describe the proposed amendment to the 2022-2023 and 2023-2024 One Year Action Plans.

Staff recommends approval of the CDBG and HOME projects listed below as substantial amendments to the 2022-2023 and 2023-2024 One Year Action Plans of the 2019-2024 Five Year Consolidated Plan:

**2022-2023 One Year Action Plan**

1.LE.84-22 City Park Improvements (City of Lake Elsinore)	\$431,287	Change Project Description CDBG Funding
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Sandstone Apartments (City of Murrieta)	\$3,000,000	Add HOME Project
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**2023-2024 One Year Action Plan**

3.MR.76-23 Pedestrian Safety Enhancement Project (City of Murrieta)	\$788,298	Add Project Locations Increased CDBG Funding
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Cambern Apartments (City of Lake Elsinore)	\$2,000,000	Add HOME Project
Villa Verde Apartments (City of Coachella)	\$4,000,000	Add HOME Project

**Impact on Residents and Businesses**

**1.LE.84-22 City Park Improvements (CDBG):**

The City of Lake Elsinore will utilize CDBG funds for improvements at City Park. Improvements include 2,100 feet of ADA-compliant sidewalk, parking lot improvements, security lighting, and other enhancements. CDBG funds will be used to pay for the design, construction, project management, compliance monitoring, inspection, and other related expenses.

On July 26, 2022, via Minute Order 3.19, the Board of Supervisors approved \$431,287.00 in funding for City of Lake Elsinore's City Park Improvements Program. The Supplemental Agreement was fully executed on January 23, 2023 and expired by its own terms on June 30, 2023. The County of Riverside and City of Lake Elsinore desire to amend and restate the original Supplemental Agreement to extend the period of performance through June 30, 2026 and allow for payment of costs incurred since the expiration of the Agreement on June 30, 2023 through June 30, 2026.

**Sandstone Apartments (HOME):**

Community Revitalization and Development Corporation is proposing to use \$3,000,000 in HOME funds for the development and construction of a 96-unit multi-family housing complex to expand the affordable housing stock for qualified low-income families in the city of Murrieta in the County of Riverside. The Project is located at 41-705 Hawthorn Street in the City of Murrieta on approximately 3.6 acres identified as Assessor's Parcel Numbers 909-020-052,909-020-020 and 909-020-021. The project will provide a total of 96 apartment units that will consist of 18 one-bedroom units,48 two-bedroom units, and 30 three-bedroom units with one (1) two-bedroom unit restricted as a manager's unit. The estimated total cost for the development is \$60,147,629.

**3.MR.76-23 Pedestrian Safety Enhancement Project (CDBG):**

The City of Murrieta will use CDBG funds to pay for costs associated with used to enhance pedestrian safety by installing new and upgrading existing pedestrian facility ramps to remove architectural barriers and meet ADA requirements throughout the city. Eligible costs will include design, construction, compliance monitoring, and project management.

On August 1, 2023, via Minute Order 3.30, the Board of Supervisors approved \$420,891.20 in funding for City of Murrieta's Pedestrian Safety Enhancement Project. The Supplemental Agreement was fully executed on December 27, 2023 and expired by its own terms on June 30, 2023. The County of Riverside and City of Murrieta desire to amend and restate the original Supplemental Agreement to extend the period of performance through June 30, 2026 and increase funding in the amount of \$367,407 for a new grant total amount of \$788,298. Ratifying

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and approving an Amended and Restated Supplement Agreement will allow for payment of costs incurred since the expiration of the Agreement on June 30, 2023 through June 30, 2026.

**Cambern Apartments (HOME):**

Community HousingWorks is proposing to use \$2,000,000 in HOME funds for the development and construction of a 76-unit multi-family housing complex to expand the affordable housing stock for qualified low-income families in the city of Lake Elsinore in the County of Riverside. The Project is located at 29366 and 29377 3<sup>rd</sup> Street in the City of Lake Elsinore on approximately 4.2 acres land identified as Assessor's Parcel Numbers 377-100-03 and 377-380-003. The project will provide a total of 76 apartment units, (including one unrestricted manager's unit) that will consist of twenty-six (26) one-bedroom units, thirty (30) two-bedroom units, and twenty (20) three-bedroom units with one (1) two-bedroom unit restricted as a manager's unit. The estimated total cost for the development is \$48,514,340.

**Villa Verde Apartments (HOME):**

Abode Communities proposes the use of \$4,000,000 in HOME funds to develop and construct the Villa Verde Apartments, specifically supporting the first phase of the affordable multifamily low-income housing project (Proposed Project). The Proposed Project will be developed on 9.25 acres located at 84824 Calle Verde, in the City of Coachella, County of Riverside, State of California, identified as Assessor's Parcel Numbers 768-350-002 & 768-400-001 (Property). The Proposed Project will consist of 152 affordable units, 16 one-bedrooms units, 68 two-bedroom units, and 68 three-bedroom units. 32 units will be restricted to households whose incomes do not exceed 30% of the area median income, 136 units will be restricted to individual households whose incomes do not exceed 40% of the area median income, 82 units will be restricted to households whose income do not exceed 50% of median income and 2 unrestricted manager units for the County of Riverside. The project includes 50 units of permanent supportive housing (family emphasis). Tenants will benefit from 171 covered parking spaces and onsite property manager, resident services, and supportive services staff. Amenities include a community room with kitchen, five laundry rooms, five central patios, and play equipment. The project will be funded as a Hybrid Tax Credit project with total costs of \$68,455,865.

**Additional Fiscal Information**

No impact upon the County's General Fund; the proposed projects will be fully funded with \$1,219,585 of CDBG funds and \$9,000,000 of HOME Program funds.

**ATTACHMENTS:**

- Attachment A - 1.LE.84-22 City Park Improvements (CDBG)
- Attachment B - Sandstone Apartments (HOME)
- Attachment C - 3.MR.76-23 Pedestrian Safety Enhancement Project (CDBG)
- Attachment D - Cambern Apartments (HOME)
- Attachment E - Villa Verde Apartments (HOME)
- Public Notice of Proof of Publication



**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
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- Notice of Exemption
- Certification of Exemption
- Amended and Restated Supplemental Agreement with City of Lake Elsinore (1.L.E.84-22)
- Amended and Restated Supplemental Agreement with City of Murrieta (3.M.R.76-23)

  
Brianna Lontajo, Principal Management Analyst

10/24/2024

  
Aaron Gettis, Chief of Deputy County Counsel

10/23/2024

**ENVIRONMENTAL  
EXEMPTION DOCUMENTATION**

**To:** County Clerk and Recorder's Office  
County of Riverside  
2720 Gateway Drive  
Riverside, CA 92507

**From:** Housing and Workforce Solutions  
County of Riverside  
3430 10<sup>th</sup> Street, Suite 300  
Riverside, CA 92501

**Project Title:** Substantial Amendments to the 2022-2023 and 2023-2024 One Year Action Plan of the 2019-2024 Five Year Consolidated Plan to amend 1.LE.84-22 City Park Improvements, 3.MR.76-23 Pedestrian Safety Enhancement Project, and to add Sandstone Apartments Project, Cambern Apartments Project, Villa Verde Apartment Project

**Grant No.:** B-22-UC-06-0506 and B-23-UC-06-0506

**Description of Project:** Pursuant to 24 CFR Part 570, 24 CFR Part 91, and the Citizens Participation Plan, the Board of Supervisors is authorized to approve and adopt substantial amendments to the 2022-2023 and 2023-2024 One Year Action Plans of the 2019-2024 Consolidated Plan for the HUD-funded CDBG and HOME programs.

**Project Location:** Riverside County

**Project Proponent:** Housing and Workforce Solutions for the County of Riverside

**CALIFORNIA ENVIRONMENTAL QUALITY ACT**

**Project Description:** The project, the Substantial Amendment to the 2022-2023 and 2023-2024 One Year Action Plan of the 2019-2024 Five Year Consolidated Plan, is an administrative planning document that will only have a financial effect. It can be seen with certainty that there is no possibility that the proposed substantial amendment may have a significant effect on the environment and will not lead to any direct or reasonably indirect physical impacts.

**Exempt Status: (Check one)**

- Ministerial (Section 21080 (b) (1); Section 15268);
- Declared Emergency [Section 21080 (b) (3); Section 15239(a)];
- Emergency Project [Section 21080 (b) (4); Section 15269 (b) (c)];
- Statutory Exemption (Section Number: \_\_\_\_\_)
- Categorical Exemption: Class 1 (Section Number: \_\_\_\_\_)
- These activities are not subject to CEQA [pursuant to Section 15061 (b) (3)]**
- Other

Environmental Specialist:  Date: **September 24, 2024**,  
Melissa Valdivia, Supervising Development Specialist

Certifying Officer:  Date: **September 24, 2024**  
Susana Orozco, Principal Development Specialist – CDBG/ESG Programs  
Phone: 951-955-5933

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**AMENDED AND RESTATED SUPPLEMENTAL AGREEMENT FOR THE USE OF  
2022-2023 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

This Amended and Restated Supplemental Agreement (“Agreement”) is entered into this day of October 29, 2024, by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California, herein called, "COUNTY," and the **CITY OF LAKE ELSINORE**, herein called "CITY." COUNTY and CITY are collectively referred to as “Parties” and individually as “Party.”

The COUNTY and CITY mutually agree as follows:

WHEREAS, COUNTY and CITY entered into a certain Supplemental Agreement (“Agreement”) for the use of Community Development Block Grant (“CDBG”) funds, executed **January, 23 2023**, wherein **\$431,287** in CDBG funds were allocated to CITY by COUNTY and designated for a specific use of City Park Improvements Project; and

WHEREAS, although the Original Agreement, by its terms, expired on June 30, 2023, CITY has continued to provide the services set forth in Exhibit “C” of the Original Agreement through the date of this Agreement; and

WHEREAS, COUNTY and CITY desire to amend and restate the Original Agreement to extend the period of performance through June 30, 2026; and

WHEREAS, pursuant to Minute Order 3.19 on July 26, 2022, Board of Supervisors approved and adopted the 2022-2023 One-Year Action Plan of the 2019-2024 Five Year Consolidated Plan approving \$431, 287 funding for the City Park Improvements Project.

WHEREAS, COUNTY and CITY desire to amend and restate the Agreement to reflect a change in project location to incorporate surrounding sidewalks ; and

WHEREAS, upon the execution of this Agreement, the Original Agreement shall be superseded and replaced.

NOW, THEREFORE, in consideration of the foregoing promises and the mutual covenants and conditions hereinafter set forth, the COUNTY and CITY hereby agree as follows:

OCT 29 2024

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1           2.     PURPOSE. CITY promises and agrees to undertake and assist with the community  
2 development activities, within its jurisdiction, by utilizing the sum of **\$431,287** CDBG Entitlement  
3 Funds, as specifically identified in Exhibit C, attached hereto, and are incorporated herein by this  
4 reference, for the following project: **1.LE.84-22 City Park Improvements, \$431,287.**

5           3.     TERM OF AGREEMENT. This Agreement commences on January 23, 2023 and shall  
6 continue until June 30, 2026.

7           4.     COMPLETION SCHEDULE. CITY shall proceed consistent with the completion schedule  
8 set forth in Exhibit C attached hereto and incorporated herein.

9           1.     5. EXTENSION OF TIME. COUNTY may grant an extension, in its sole and absolute  
10 discretion, to the completion schedule for the purpose of completing CITY’S projects/activities  
11 which are underway and cannot be completed during the term of this Agreement. CITY shall request  
12 said extension in writing, stating the reasons therefore, and may be granted only by receiving written  
13 approval from COUNTY. Every term, condition, covenant and requirement of this Agreement shall  
14 continue in full force and effect during the period of any such extension. In the event that the CITY does  
15 not request an extension, or if no extension is authorized by the COUNTY, this Agreement may be  
16 terminated consistent with the termination procedures as set forth in Section 19 of this Agreement.

17           LETTER TO PROCEED. CITY shall not initiate nor incur expenses for the CDBG-funded Projects  
18 or activities covered under the terms of this Agreement as set forth in Exhibit C attached hereto, prior  
19 to receiving written authorization from COUNTY to proceed.

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

1 Postal Service (any notice so sent shall be deemed to have been received two days after mailing in the  
2 United States), addressed to the respective parties as follows:

<u>COUNTY</u>	<u>CITY</u>
Heidi Marshall, Director	Jason Simpson, City Manager
Riverside County HWS	City of Lake Elsinore
P.O. Box 1528	130 S. Main Street
Riverside, CA 92502	Lake Elsinore, CA 92532

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9 8. DISBURSEMENT OF FUNDS.

10 A. COUNTY's Board of Supervisors shall determine the final disposition and  
11 distribution of all funds received by COUNTY under the Act consistent with Sections 2 and 3 of this  
12 Agreement. COUNTY, through its Department of Housing, and Workforce Solutions, shall make  
13 payment of the CDBG funds to CITY as set forth in the attached Exhibit C. It is the CITY's  
14 responsibility to monitor all project activities set forth in the attached Exhibit C and to ensure  
15 compliance with applicable federal regulations and the terms of this Agreement.

16 B. CITY shall comply with timely drawdown of CDBG Entitlement funding by  
17 expeditiously implementing and completing the COUNTY-approved, CDBG-funded Projects. CITY  
18 acknowledges that CITY's drawdown performance directly impacts the COUNTY's overall program  
19 drawdown rate. If the CITY's unobligated CDBG fund balance, as of January 31, 2023, exceeds one  
20 hundred and seventy-five percent (175%) of the CITY's 2022-2023 CDBG allocation, the COUNTY  
21 may, in its sole discretion, take the necessary administrative actions to reduce the CITY's CDBG fund  
22 balance. Necessary actions include, but are not limited to, reprogramming the excess CDBG fund  
23 balance to other eligible activities as selected by COUNTY. COUNTY may, in its sole and absolute  
24 discretion, authorize CITY in writing, prior to January 31, 2023, to exceed the CDBG fund balance  
25 requirement.

26 C. CITY shall comply with timely drawdown of CDBG funds by submitting monthly  
27 requests for reimbursement or other COUNTY approved reimbursement schedules. All disbursements  
28 of CDBG funds will be on a reimbursement basis and made within thirty (30) days after the COUNTY  
has received the CITY's reimbursement request including documentation supporting expenditures.

1 D. All authorized obligations incurred in the performance of the Agreement for  
2 projects eligible under the following CDBG regulations must be reported in writing to COUNTY no  
3 later than June 1, 2023:

- 4 1. Acquisition [24 Code of Federal Regulations (CFR) 570.201 (a)]
- 5 2. Clearance Activities [24 CFR 570.201 (d)]
- 6 3. Interim Assistance [24 CFR 570.201 (f)]
- 7 4. Code Enforcement [24 CFR 570.202 (c)]

8 All public service activities [24 CFR 570.201 (e)] and other eligible activities under this  
9 Agreement must be implemented, completed, and obligations reported in writing to the COUNTY by  
10 the CITY no later than the completion schedules set forth in the attached Exhibits to this Agreement.

11 "CFR" as used herein refers to the Code of Federal Regulations.

12 9. RECORDS AND INSPECTIONS.

13 A. CITY shall establish and maintain financial, programmatic, statistical, and other  
14 supporting records of its operations and financial activities in accordance with the Uniform  
15 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part  
16 200), and 24 CFR Section 570.502 (a), as they relate to the acceptance and use of federal funds under  
17 this Agreement. Said records shall be retained for a period of four (4) years from the date that the activity  
18 or program funded with the CDBG Grant is closed out by the COUNTY and reported as complete in the  
19 Comprehensive Annual Performance and Evaluation Report (CAPER). Exceptions to the four (4) year  
20 retention period requirement, pursuant to 2 CFR 200.333 include, but not limited to, the following:

- 21 i. if any litigation, claim, or audit is started prior to the expiration of the four  
22 (4) year period;
- 23 ii. when the CITY is notified in writing by the COUNTY, HUD, or other  
24 Federal agency to extend the retention period;
- 25 iii. records for real property and equipment acquired with CDBG funds must  
26 be retained for four (4) years after final disposition;
- 27 iv. when the records are transferred by the CITY to the COUNTY, HUD, or  
28 other Federal agency, the four (4) year period is not applicable.



1 B. CITY shall obtain an external audit in accordance with the Uniform  
2 8Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR  
3 Section 200.500). Audits shall usually be performed annually but not less frequently than every two  
4 years. Nonprofit institutions and government agencies that expend less than \$750,000 a year in Federal  
5 awards are exempt from Federal audit requirements, but records must be available for review by  
6 appropriate officials of the Federal grantor agency or subgranting entity. The audit report shall be  
7 submitted to the COUNTY within 180 days after the end of the COUNTY'S fiscal year.

8 C. CITY shall maintain a separate account for the CITY'S CDBG Entitlement funds  
9 received as set forth in Exhibit C attached hereto.

10 D. Pursuant to 2 CFR 200.336, CITY shall, during the normal business hours, make  
11 available to COUNTY, the U.S. Department of Housing and Urban Development (HUD), or other  
12 authorized representative, for the examination and copying, all of its records and other materials with  
13 respect to matters covered by this Agreement and provide reasonable access to CITY staff for the purpose  
14 of interview and discussion related to the records and documents.

15 E. CITY shall not retain any program income as defined in 24 CFR 570.500. Said  
16 program income shall be used only for the activities that are the subject of this Agreement. Further, all  
17 provisions of this Agreement shall apply to such activities.

18 F. The CITY shall ensure that at least fifty-one percent (51%) of the persons  
19 benefiting from all CDBG-funded activities or projects designated as serving limited clientele [24 CFR  
20 570.208(a)(2)(i)] are of low and moderate-income and meet the applicable household income guidelines.  
21 The CITY shall provide the required income certification and direct benefit documentation, in writing,  
22 to the COUNTY pursuant to the reporting requirement of each activity as set forth in Exhibit C, attached  
23 hereto. In the event that CITY engages the services of a sub-contractor to implement CDBG-funded  
24 activities, the CITY must collect, in writing, all required income certification and direct benefit  
25 documentation from subcontractors prior to submittal to the COUNTY pursuant to the reporting  
26 requirement of each activity as set forth in Exhibit C attached hereto.

27 10. COMPLIANCE WITH LAWS. CITY shall comply with all applicable federal, state, and  
28 local laws, regulations, and ordinances and any amendments thereto and the federal regulations and

1 guidelines now or hereafter enacted pursuant to the Act. More particularly, CITY is to comply with those  
2 regulations found in the Uniform Administrative Requirements, Cost Principles, and Audit  
3 Requirements for Federal Awards (2 CFR Part 200), and 24 CFR Part 570. CITY is to abide by the  
4 provisions of the Community Development Block Grant Manual, prepared by COUNTY and cited in the  
5 above-mentioned Cooperation Agreement. CITY shall comply, if applicable, with Section 3 of the  
6 Housing & Urban Development Act of 1968 (12 U.S.C.A. Section 1701u), as amended, a copy of which  
7 is attached hereto as Exhibit "S", and incorporated herein by this reference. CITY shall adhere to the  
8 regulations as set forth in Exhibit "R", attached hereto and incorporated herein by this reference,  
9 pertaining to inherently religious activities. CITY shall comply with the Additional Federal  
10 Requirements, if applicable, attached hereto as Exhibit "AFR", and incorporated herein by this reference.

11 11. COOPERATION WITH HOUSING ACTIVITIES. CITY shall cooperate with  
12 COUNTY in undertaking essential community development and housing assistance activities,  
13 specifically urban renewal and public assistance housing, and shall assist COUNTY in implementing  
14 and undertaking the goals and strategies identified in the 2019-2024 Five Year Consolidated Plan,  
15 pursuant to 24 CFR Part 91 and other requirements of the Community Development Block Grant  
16 Program.

17 12. LEAD AGENCY FOR COMPLIANCE WITH THE CALIFORNIA  
18 ENVIRONMENTAL QUALITY ACT (CEQA). Pursuant to Title 14 CCR Section 1501(d), the CITY  
19 is designated as the lead agency for the projects that are the subject matter of this Agreement.

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

1 The hold harmless and indemnification obligations set forth herein shall survive the termination  
2 and expiration of this Agreement. In the event there is conflict between this clause and California Civil  
3 Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation  
4 shall not relieve the CITY from indemnifying the Indemnitees to the fullest extent allowed by law.

5 14. INSURANCE. Without limiting or diminishing the CITY's obligation to indemnify or  
6 hold the COUNTY harmless, CITY shall procure and maintain or cause to be maintained, at its sole cost  
7 and expense, the following insurance coverage's during the term of this Agreement. As respects to the  
8 insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts,  
9 Special Districts, and Departments, their respective directors, officers, Board of COUNTY OF  
10 RIVERSIDE Supervisors, employees, elected or appointed officials, agents, or representatives as  
11 Additional Insureds

12 a. Workers' Compensation:

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

18 b. Commercial General Liability:

19 Commercial General Liability insurance coverage, including but not limited to, premises  
20 liability, contractual liability, products and completed operations liability, personal and advertising  
21 injury, and cross liability coverage, covering claims which may arise from or out of CITY'S performance  
22 of its obligations hereunder. Policy shall name the County of Riverside as Additional Insured. Policy's  
23 limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance  
24 contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2)  
25 times the occurrence limit.  
26

27 b.1: Sexual Abuse or Molestation (SAM) Liability:

28 If the work will include contact with minors, and the Commercial General Liability policy



1 is not endorsed to include affirmative coverage for sexual abuse or molestation, Vendor/Contractor shall  
2 obtain and maintain a policy covering Sexual Abuse and Molestation with a limit no less than \$2,000,000  
3 per occurrence or claim.

4 c. Vehicle Liability:

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

10 d. General Insurance Provisions - All lines:

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

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

23 (iii). CITY shall cause CITY'S insurance carrier(s) to furnish the County of  
24 Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original  
25 copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in  
26 writing by the County Risk Manager, provide original Certified copies of policies including all  
27 Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further,  
28

1 said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that  
2 thirty (30) days written notice shall be given to the County of Riverside prior to any material  
3 modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a  
4 material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate  
5 forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed  
6 original Certificate of Insurance and original copies of endorsements or certified original policies,  
7 including all endorsements and attachments thereto evidencing coverage's set forth herein and the  
8 insurance required herein is in full force and effect. CITY shall not commence operations until the  
9 COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of  
10 endorsements and if requested, certified original policies of insurance including all endorsements and  
11 any and all other attachments as required in this Section. An individual authorized by the insurance  
12 carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of  
13 Insurance.

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

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

24 (vi). CITY shall pass down the insurance obligations contained herein to all  
25 tiers of subcontractors working under this Agreement.

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

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

3 15. INDEPENDENT CONTRACTOR. The CITY is, for purposes relating to this Agreement,  
4 an independent contractor and shall not be deemed an employee of the COUNTY. It is expressly  
5 understood and agreed that the CITY (including its employees, agents and subcontractor's) shall in no  
6 event be entitled to any benefits to which the COUNTY employees are entitled, including but not limited  
7 to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave  
8 benefits. There shall be no employer-employee relationship between the parties; and the CITY shall  
9 hold the COUNTY harmless from any and all claims that may be made against the COUNTY based  
10 upon any contention by a third party that an employer-employee relationship exists by reason of this  
11 Agreement. It is further understood and agreed by the parties that the CITY in the performance of this  
12 Agreement is subject to the control or direction of the COUNTY merely as to the results to be  
13 accomplished and not as to the means and methods for accomplishing the results.

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

19 CITY shall abide by and include in any subcontracts to perform work under this Agreement, the  
20 following clause:

21 "During the performance of this Agreement, CITY and its subcontractors shall not unlawfully  
22 discriminate against any employee or applicant for employment because of race, religion, color,  
23 national origin, ancestry, physical disability, medical condition, marital status, veterans status,  
24 sexual orientation, gender identity, age (over 40) or sex. CITY and subcontractors shall insure  
25 that the evaluation and treatment of their employees and applicants for employment are free of  
26 such discrimination. CITY and subcontractors shall comply with the provisions of the Fair  
27 Employment and Housing Act (California Government Code Section 12900 et seq.). The  
28 applicable regulations of the Fair Employment and Housing Commission are implementing

1 California Government Code Section 12990 et seq., set forth in Chapter 1 of Division 4.1 of Title  
2 2 of the California Administrative Code are incorporated into this Agreement by reference and  
3 made a part hereof as if set forth in full. CITY and its subcontractors shall give written notice of  
4 their obligations under this clause to labor organizations with which they have a collective  
5 bargaining or other agreement."

6 17. PROHIBITION AGAINST CONFLICTS OF INTEREST

7 A. CITY and its assigns, employees, agents, consultants, officers and elected and  
8 appointed officials shall become familiar with and shall comply with the Uniform Administrative  
9 Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200) and the  
10 CDBG regulations prohibiting conflicts of interest contained in 24 CFR 570.611.

11 B. The Subrecipient shall maintain a written code or standards of conduct that shall  
12 govern the performance of its officers, employees or agents engaged in the award and administration of  
13 contracts supported by Federal funds.

14 C. No employee, officer or agent of the Subrecipient shall participate in the  
15 selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of  
16 interest, real or apparent, would be involved.

17 D. No covered persons who exercise or have exercised any functions or  
18 responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a  
19 decision-making process or gain inside information with regard to such activities, may obtain a financial  
20 interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect  
21 to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either  
22 for themselves or those with whom they have business or immediate family ties, during their tenure or  
23 for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any  
24 person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the  
25 Subrecipient, or any designated public agency.

26 E. CITY understands and agrees that no waiver of exception can be granted to the  
27 prohibition against conflict of interest except upon written approval of HUD pursuant to 24 CFR  
28 570.611(d). Any request by CITY for an exception shall first be reviewed by COUNTY to determine  
whether such request is appropriate for submission to HUD in the COUNTY'S sole and absolute

1 discretion. In determining whether such request is appropriate for submission to HUD, COUNTY will  
2 consider the factors listed in 24 CFR 570.611(d)(2).

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

10 G. Any violation of this Section 17 shall be deemed a material breach of this  
11 Agreement, and the Agreement shall be immediately terminated by the COUNTY.

12 18. LOBBYING. CITY certifies to the best of its knowledge and belief, that:

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

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

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



1           19.    TERMINATION.

2           A.    CITY. CITY may not terminate this Agreement except upon express written  
3 consent of COUNTY, pursuant to 2 CFR 200.339 (a)(3).

4           B.    COUNTY. Notwithstanding the provisions of Paragraph 19a above, COUNTY  
5 may suspend or terminate this Agreement upon a ten (10) day written notice to CITY of action being  
6 taken and the reason for such action including, but not limited to, the following reasons:

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

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

11                   (3)    In the event the funding from the Department of Housing and Urban  
12 Development referred to in Sections 1 and 2 above is terminated or otherwise becomes unavailable.

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

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

25           E.    Reversion of Assets

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

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

4   (i)       Used to meet one of the National Objectives pursuant to 24 CFR  
5 570.208 until five years after expiration of this agreement, or for such longer period of time as determined  
6 to be appropriate by the COUNTY; or

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

11           20.    PUBLICITY. Any publicity generated by CITY for the Projects funded pursuant to this  
12 Agreement will make reference to the contribution of the COUNTY, the Department of Housing, and  
13 Workforce Solutions, and the Community Development Block Grant Program in making the project  
14 possible.

15           21.    PROGRAM MONITORING AND EVALUATION. CITY and its subcontractors shall  
16 be monitored and evaluated in terms of its effectiveness and timely compliance with the provisions of  
17 this Agreement and the effective and efficient achievement of the CDBG National Objectives as set forth  
18 in Exhibit C, attached hereto. Quarterly reports shall be due on the last day of the month immediately  
19 following the end of the quarter being reported. The quarterly written reports shall include, but shall not  
20 be limited to, the following data elements:

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

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

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

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

- Above 80% MHI

- Between 50% and 80% MHI (Low-Income)
- Between 30% and 50% MHI (Very Low-Income)
- Less than 30% MHI (Extremely Low-Income)

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

3) Racial ethnicity of clientele

4) Number of Female-Headed Households

D. CITY shall report, in writing, and cause its subcontractors to report, in writing, beneficiary statistics monthly to Housing and Workforce Solutions (HWS) on the pre-approved *Direct Benefit Form* and *Self-Certification Form* (certifying income, family size, and racial ethnicity) as required by HUD. Updated forms are to be provided to CITY by HWS should HUD implement changes during the term of this Agreement. CITY and subcontractors will collect and provide all necessary data required by HUD pertaining to the Specific Outcome Indicators as identified in HUD’s Community Planning and Development (CPD) Outcome Performance Measurement System.

22. PRIOR AUTHORIZATION. CITY shall obtain COUNTY's written approval from HWS prior to implementing the following “high risk” activities funded with CDBG assistance:

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

23. PRIOR COUNTY APPROVAL (CONSTRUCTION ACTIVITIES). CITY shall obtain COUNTY's written approval, through its HWS, of the project plans, specifications, and construction documents prior to CITY’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 CITY or to any third party to review, inspect, supervise, pass judgment upon or inform CITY 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,

1 equipment or material furnished to the property, any person furnishing the same, or otherwise. CITY  
2 and all third parties shall rely upon its or their own judgment regarding such matters, and any review,  
3 inspection, supervision, exercise of judgment or information supplied to CITY or to any third party by  
4 the COUNTY in connection with such matter is for the public purpose of assisting with a community  
5 development and housing activity pursuant to the Act, and neither CITY (except for the purposes set  
6 forth in this Agreement) nor any third party is entitled to rely thereon. The COUNTY shall not be  
7 responsible for any of the work of construction, improvement, or development of the property.

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

19  
20 24. PRIOR COUNTY APPROVAL (AQUISITION ACTIVITIES). CITY shall obtain  
21 COUNTY's written approval and authorization to proceed, through HWS, of all CDBG-funded real  
22 property acquisition activities.

23 25. REAL PROPERTY ACQUIRED OR PUBLIC FACILITY CONSTRUCTED WITH  
24 CDBG FUNDS. When CDBG funds are used, in whole or in part, by CITY to acquire real property or  
25 to construct a public facility, CITY will comply with the Uniform Administrative Requirements, Cost  
26 Principles, and Audit Requirements for Federal Awards (2 CFR Section 200.311); National  
27 Environmental Policy Act of 1969 (42 U.S.C.A. §4321, et seq.); the California Environmental Quality  
28 Act (Cal. Pub. Resources Code §21000, et seq.); the Uniform Relocation Assistance and Real Property

1 Acquisition Policies Act of 1970, as amended (42 U.S.C.A. §4630, et seq.); and the COUNTY's Five  
2 Year Consolidated Plan. In addition, the following is to occur:

3 a. Title to the real property shall vest in CITY;

4 b. The real property will be held by CITY, or the constructed facility will be  
5 maintained by the CITY, for a minimum period of five (5) years from the date the CDBG-funded  
6 activity is closed-out and reported as complete by the COUNTY through the Comprehensive Annual  
7 Performance and Evaluation Report (CAPER);

8 c. While held by CITY, the real property or the constructed facility is to be used  
9 exclusively for the purposes for which acquisition or construction was originally approved by  
10 COUNTY;

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

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

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

20 (2) If CITY sells the property or facility or is required to sell the property or  
21 facility, CITY shall reimburse COUNTY the amount that represents the percentage of proceeds  
22 realized by the sale that is identical to the percentage that CDBG funds initially comprised of monies  
23 paid to acquire the property or construct the facility. This percentage amount will be calculated after  
24 deducting all actual and reasonable cost of sale from the sale proceeds.  
25

26 26. ENTIRE AGREEMENT. This Agreement, including any attachments or exhibits hereto  
27 constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior  
28 and contemporaneous representations, proposals, discussions and communications, whether oral or in  
writing. No oral understanding or agreement not incorporated herein shall be binding on any of the



1 parties hereto. Each of the attachments and exhibits attached hereto is incorporated herein by this  
2 reference.

3 27. SEVERABILITY. Each section, paragraph and provision of this Agreement is  
4 severable from each other provision, and if any provision or part thereof is declared invalid, the  
5 remaining provisions shall remain in full force and effect.

6 28. EMPLOYMENT OPPORTUNITIES TO BE CAUSED BY PROJECT. CITY agrees to  
7 notify in writing, and to cause any subcontractor implementing CDBG-funded Projects to notify, in  
8 writing, the Riverside County Workforce Development Center of any and all job openings that are caused  
9 by the CDBG-funded Projects under this Agreement.

10 29. MINISTERIAL ACTS. The Director of Housing and Workforce Solutions or designee(s)  
11 are authorized to take such ministerial actions as may be necessary or appropriate to implement the terms,  
12 provisions, and conditions of this Agreement as it may be amended from time-to-time by COUNTY.

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

17 31. SOURCE OF FUNDING. CITY acknowledges that the source of funding pursuant to this  
18 Agreement is Community Development Block Grant funds (CFDA 14.218), and the Grant Award  
19 Number is B-22-UC-06-0506.

20 32. ASSIGNMENT. The CITY shall not make any assignment or transfer in any form with  
21 respect to this Agreement, without prior written approval of the COUNTY.

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

28 34. WAIVER. Failure by a party to insist upon the strict performance of any of the  
provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the

1 default of the other party, shall not constitute a waiver of such party's rights to insist and demand strict  
2 compliance by the other party with the terms of this Agreement thereafter.

3 35. JURISDICTION AND VENUE: Any action at law or in equity arising under this  
4 Agreement or brought by a party hereto for the purpose of enforcing, construing or determining the  
5 validity of any provision of this Agreement shall be filed only in the Superior Court of the State of  
6 California, located in Riverside, California, and the parties hereto waive all provisions of law providing  
7 for the filing, removal or change of venue to any other court or jurisdiction

8 36. USE OF PROPERTY. Whenever federal CDBG funds or program income are used, in  
9 whole or in part, for the purchase of equipment or personal property, the property shall not be transferred  
10 from its originally funded use, by CITY or the CITY'S subcontractor implementing the CDBG-funded  
11 activity, for a period of five (5) years from the close-out date of the grant from which CDBG assistance  
12 was provided. The CITY shall maintain a current inventory for COUNTY monitoring and review.

13 37. AUTHORITY TO EXECUTE. The persons executing this Agreement or exhibits  
14 attached hereto on behalf of the parties to this Agreement hereby warrant and represent that they have  
15 the authority to execute this Agreement and warrant and represent that they have the authority to bind  
16 the respective parties to this Agreement to the performance of its obligations hereunder.

17 38. EFFECTIVE DATE. The effective date of this Agreement is the date the parties sign the  
18 Agreement. If the parties sign the Supplemental Agreement on more than one date, then the last date the  
19 Agreement is signed by a party shall be the effective date.

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

23 40. FORCE MAJEURE.

24 A. Performance by either party hereunder shall not be deemed to be in default where  
25 delays or defaults are due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires,  
26 casualties, acts of God, acts of the public enemy, epidemics, pandemic, quarantine restrictions, freight  
27 embargoes, lack of transportation, governmental restrictions or priority, litigation, unusually severe  
28 weather, inability to secure necessary labor, material or tools, delays of any contractor, sub-contractor  
or supplier, acts of the other party, acts or failure to act of a public or governmental agency or entity, or

1 any causes beyond the control or without the fault of the party claiming an extension of time to perform.

2 B. An extension of time for any such cause (a "Force Majeure Delay") shall be for  
3 the period of the enforced delay and shall commence to run from the time of the commencement of the  
4 cause, if notice by the party claiming such extension is sent to the other party within thirty (30) calendar  
5 days of knowledge of the commencement of the cause. Notwithstanding the foregoing, none of the  
6 foregoing events shall constitute a Force Majeure Delay unless and until the party claiming such delay  
7 and interference delivers to the other party written notice describing the event, its cause, when and how  
8 such party obtained knowledge, the date the event commenced, and the estimated delay resulting  
9 therefrom. Any party claiming a Force Majeure Delay shall deliver such written notice within thirty (30)  
10 calendar days after it obtains knowledge of the event.

11 41. MODIFICATION OF AGREEMENT. This Agreement may be modified or amended  
12 only by a writing signed by the duly authorized and empowered representative of COUNTY and CITY  
13 respectively.

14 42. DIGITAL AND ELECTRONIC SIGNATURES. The parties agrees to the use of electronic  
15 signatures, such as digital signatures that meet the requirements of the California Uniform Electronic  
16 Transactions Act ("CUETA") Cal. Civ. Code §§ 1633.1 to 1633.17). The parties further agree that the  
17 electronic signatures of the parties included in this Agreement are intended to authenticate this writing  
18 and to have the same force and effect as manual signatures. Electronic signature means an electronic  
19 sound, symbol, or process attached to or logically associated with an electronic record and executed or  
20 adopted by a person with the intent to sign the electronic record pursuant to CUETA as amended from  
21 time to time. Digital signature means an electronic identifier, created by computer, intended by the party  
22 using it to have the same force and effect as the use of a manual signature, and shall be reasonably relied  
23 upon by the parties. For purposes of this section, a digital signature is a type of "electronic signature"  
24 as defined in subdivision (i) of Section 1633.2 of the Civil Code.

25  
26 [Remainder of Page Intentionally Blank]

27 [Signatures on Following Page]  
28





Certificate Of Completion

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Source Envelope:

Document Pages: 42

Signatures: 3

Envelope Originator:

Certificate Pages: 5

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Luz Reyes

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lreyes@lake-elsinore.org

Signer Events

Barbara Leibold

barbara@ceqa.com

City Attorney

Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

Barbara Leibold

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Steve Manos

smanos@lake-elsinore.org

Security Level: Email, Account Authentication (None)

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Candice Alvarez

calvarez@lake-elsinore.org

City Clerk

City of Lake Elsinore

Security Level: Email, Account Authentication (None)

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Agent Delivery Events

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Intermediary Delivery Events

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Certified Delivery Events

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**Carbon Copy Events**

Brendan Rafferty  
brafferty@lake-elsinore.org  
Security Level: Email, Account Authentication (None)

**Status**

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Domenico Piazza  
dpiazza@lake-elsinore.org  
Security Level: Email, Account Authentication (None)

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Sent: 10/17/2024 12:25:22 PM

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**Notary Events**

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**Envelope Summary Events**

**Status**

**Timestamps**

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**Payment Events**

**Status**

**Timestamps**

**Electronic Record and Signature Disclosure**

## EXHIBIT "R"

### 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," and further amended by Executive Order 13831 (issued on May 3, 2018, 83 FR 20715) entitled "Establishment of a White House Faith and Opportunity Initiative," 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 toward religion meaning that it is available to providers without regard to the religious or non-religious nature of the institution and there are no program incentives that deliberately skew for or against religious or secular providers; and the organization receives the assistance as a result of a genuine, independent choice of the beneficiary.

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 any HUD program or activity, considering any permissible accommodations, particularly under the Religious Freedom Restoration Act. 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, affiliation, or lack thereof, or on the basis of the organization's religious exercise. For purposes of this part, to discriminate against an organization on the basis of the organization's religious exercise means to disfavor an organization, including by failing to select an organization, disqualifying an organization, or imposing any condition or selection criterion that otherwise disfavors or penalizes an organization in the selection process or has such an effect:

- (1) Because of conduct that would not be considered grounds to disfavor a secular organization;
  - (2) Because of conduct that must or could be granted an appropriate accommodation in a manner consistent with RFRA (42 U.S.C. 2000bb through 2000bb-4) or the Religion Clauses of the First Amendment to the Constitution;
- or
- (3) Because of the actual or suspected religious motivation of the organization's religious exercise.
  - (4) 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 organization's religious character, affiliation, or lack thereof, or based on the organization's religious exercise. Notices of funding availability, grant agreements, and cooperative agreements shall include language substantially similar to that in appendix A to this subpart, where faith-based organizations are eligible for such opportunities.

(d) Independence and identity of faith-based organizations.

(1) A faith-based organization that applies for, or participates in, a HUD program or activity supported with Federal financial assistance retains its autonomy, right of expression, religious character, authority over its governance, and independence, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs. A faith-based organization that receives Federal financial assistance from HUD does not lose the protections of 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 concealing, altering, or 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 and employees on the basis of their acceptance of or adherence to the religious tenets of the organization consistent with paragraph (i) of this section), and include religious references in its organization's mission statements and other governing documents.

(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. The use of indirect Federal financial assistance is not subject to this restriction. Nothing in this part restricts HUD's authority under applicable Federal law to fund activities, that can be directly funded by the Government consistent with the Establishment Clause of the U.S. Constitution.

(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) Nondiscrimination requirements.

Any organization that receives Federal financial assistance under a HUD program or activity shall not, in providing services with such assistance 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, an organization that participates in a program funded by indirect Federal financial assistance need not modify its program or activities to accommodate a beneficiary who chooses to expend the indirect aid on the organization's program and may require attendance at all activities that are fundamental to the program.

(h) No additional assurances from faith-based organizations.

A faith-based organization is not rendered ineligible by its religious nature to access and participate in HUD programs. Absent regulatory or statutory authority, no notice of funding availability, grant agreement, cooperative agreement, covenant, memorandum of understanding, policy, or regulation that is used by HUD or a recipient or intermediary in administering Federal financial assistance from HUD shall require otherwise eligible faith-based organizations to provide assurances or notices where they are not required of similarly situated secular organizations. All organizations that participate in HUD programs or activities, including organizations with religious character or affiliations, must carry out eligible activities in accordance with all program requirements, subject to any required or appropriate accommodation, particularly under the Religious Freedom Restoration Act, and other applicable requirements governing the conduct of HUD-funded activities, including those prohibiting the use of direct financial assistance to engage in explicitly religious activities. No notice of funding availability, grant agreement, cooperative agreement, covenant, memorandum of understanding, policy, or regulation that is used by HUD or a recipient or intermediary in administering financial assistance from HUD shall disqualify otherwise eligible faith-based organizations from participating in HUD's programs or activities because such organization is motivated or influenced by religious faith to provide such programs and activities, or because of its religious character or affiliation, or on grounds that discriminate against an organization on the basis of the organization's religious exercise, as defined in this part.

(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 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.

(l) Tax exempt organizations.

In general, HUD does not require that a recipient, including a faith-based organization, obtain tax-exempt status under section 501(c)(3) of the Internal Revenue Code to be eligible for funding under HUD programs. Many grant programs, however, do require an organization to be a nonprofit organization in order to be eligible for funding. Notices of funding availability that require organizations to have nonprofit status will specifically so indicate in the eligibility section of the notice of funding availability. In addition, if any notice of funding availability requires an organization to maintain tax-exempt status, it will expressly state the statutory authority for requiring such status. Applicants should consult with the appropriate HUD program office to determine the scope of any applicable requirements. In HUD programs in which an applicant must show that it is a nonprofit organization but this is not statutorily defined, the applicant may do so by any of the following means:

- (1) Proof that the Internal Revenue Service currently recognizes the applicant as an organization to which contributions are tax deductible under section 501(c)(3) of the Internal Revenue Code;
- (2) A statement from a State or other governmental taxing body or the State secretary of State certifying that -
  - (i) The organization is a nonprofit organization operating within the State; and
  - (ii) No part of its net earnings may benefit any private shareholder or individual;
- (3) A certified copy of the applicant's certificate of incorporation or similar document that clearly establishes the nonprofit status of the applicant;
- (4) Any item described in paragraphs (l)(1) through (3) of this section, if that item applies to a State of national parents organization, together with a statement by the State of parent organization that the applicant is a local nonprofit affiliate; or
- (5) For an entity that holds a sincerely held religious belief that it cannot apply for a determination as an entity that is tax-exempt under section 501(c)(3) of the Internal Revenue Code, evidence sufficient to establish that the entity would otherwise qualify as a nonprofit organization under paragraphs (l)(1) through (4) of this section.

(m) Rule of construction.

Neither HUD nor any recipient or other intermediary receiving funds under any HUD program or activity shall construe these provisions in such a way as to advantage or disadvantage faith-based organizations affiliated with historic or well-established religions or sects in comparison with other religions or sects.



## Credits

[69 FR 41717, July 9, 2004; 80 FR 75934, Dec. 7, 2015; 81 FR 19416, April 4, 2016; 85 FR 82315, Dec 17, 2020]

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 Low- and Very Low-Income Persons  
CONTRACT REQUIREMENTS  
24 CFR Part 75**

RIVERSIDE COUNTYSection 75.1 Purpose

This part establishes the requirements to be followed to ensure the objectives of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section 3) are met. The purpose of Section 3 is to ensure that economic opportunities, most importantly employment, generated by certain HUD financial assistance shall be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing or residents of the community in which the Federal assistance is spent.

Section 75.3 Applicability

(a) General applicability. Section 3 applies to public housing financial assistance and Section 3 projects, as follows:

(1) Public housing financial assistance. Public housing financial assistance means:

(i) Development assistance provided pursuant to section 5 of the United States Housing Act of 1937 (the 1937 Act);

(ii) Operations and management assistance provided pursuant to section 9(e) of the 1937 Act;

(iii) Development, modernization, and management assistance provided pursuant to section 9(d) of the 1937 Act; and

(iv) The entirety of a mixed-finance development project as described in 24 CFR 905.604, regardless of whether the project is fully or partially assisted with public housing financial assistance as defined in paragraphs (a)(1)(i) through (iii) of this section.

(2) **Section 3 projects.** (i) **Section 3 projects means housing rehabilitation, housing construction, and other public construction projects assisted under HUD programs that provide housing and community development financial assistance when the total amount of assistance to the project exceeds a threshold of \$200,000. The threshold is \$100,000 where the assistance is from the Lead Hazard Control and Healthy Homes programs, as authorized by Sections 501 or 502 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1 or 1701z-2), the Lead-Based Paint Poisoning Prevention Act (42 U.S.C 4801 et seq.); and the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 et seq.). The project is the site or sites together with any building(s) and improvements located on the site(s) that are under common ownership, management, and financing.**

(ii) The Secretary must update the thresholds provided in paragraph (a)(2)(i) of this section not less than once every 5 years based on a national construction cost inflation factor through Federal Register notice not subject to public comment. When the Secretary finds it is warranted to ensure compliance with Section 3, the Secretary may adjust, regardless of the national construction cost factor, such thresholds through Federal Register notice, subject to public comment.

(iii) The requirements in this part apply to an entire Section 3 project, regardless of whether the project is fully or partially assisted under HUD programs that provide housing and community development financial assistance.

(b) Contracts for materials. Section 3 requirements do not apply to material supply contracts.

(c) Indian and Tribal preferences. Contracts, subcontracts, grants, or subgrants subject to Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5307(b)) or subject to tribal preference requirements as authorized under 101(k) of the Native American Housing Assistance and Self-Determination Act (25 U.S.C. 4111(k)) must provide preferences in employment, training, and business opportunities to Indians and Indian organizations, and are therefore not subject to the requirements of this part.

(d) Other HUD assistance and other Federal assistance. Recipients that are not subject to Section 3 are encouraged to consider ways to support the purpose of Section 3.

#### **Section 75.5 Definitions.**

The terms HUD, Public housing, and Public Housing Agency (PHA) are defined in 24 CFR part 5. The following definitions also apply to this part:

***1937 Act*** means the United States Housing Act of 1937, 42 U.S.C. 1437 et seq.

***Contractor*** means any entity entering into a contract with:

(1) A recipient to perform work in connection with the expenditure of public housing financial assistance or for work in connection with a Section 3 project; or

(2) A subrecipient for work in connection with a Section 3 project.

***Labor hours*** means the number of paid hours worked by persons on a Section 3 project or by persons employed with funds that include public housing financial assistance.

***Low-income person*** means a person as defined in Section 3(b)(2) of the 1937 Act.

***Material supply contracts*** means contracts for the purchase of products and materials, including, but not limited to, lumber, drywall, wiring, concrete, pipes, toilets, sinks, carpets, and office supplies.

***Professional services*** means non-construction services that require an advanced degree or professional licensing, including, but not limited to, contracts for legal services, financial

consulting, accounting services, environmental assessment, architectural services, and civil engineering services.

**Public housing financial assistance** means assistance as defined in §75.3(a)(1).

**Public housing project** is defined in 24 CFR 905.108.

**Recipient** means any entity that receives directly from HUD public housing financial assistance or housing and community development assistance that funds Section 3 projects, including, but not limited to, any State, local government, instrumentality, PHA, or other public agency, public or private nonprofit organization.

**Section 3** means Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

**Section 3 business concern** means:

(1) A business concern meeting at least one of the following criteria, documented within the last six-month period:

(i) It is at least 51 percent owned and controlled by low- or very low-income persons;

(ii) Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or

(iii) It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

(2) The status of a Section 3 business concern shall not be negatively affected by a prior arrest or conviction of its owner(s) or employees.

(3) Nothing in this part shall be construed to require the contracting or subcontracting of a Section 3 business concern. Section 3 business concerns are not exempt from meeting the specifications of the contract.

**Section 3 project** means a project defined in §75.3(a)(2).

**Section 3 worker** means:

(1) Any worker who currently fits or when hired within the past five years fit at least one of the following categories, as documented:

(i) The worker's income for the previous or annualized calendar year is below the income limit established by HUD.

(ii) The worker is employed by a Section 3 business concern.

(iii) The worker is a YouthBuild participant.

(2) The status of a Section 3 worker shall not be negatively affected by a prior arrest or conviction.

(3) Nothing in this part shall be construed to require the employment of someone who meets this definition of a Section 3 worker. Section 3 workers are not exempt from meeting the qualifications of the position to be filled.

**Section 8-assisted housing** refers to housing receiving project-based rental assistance or tenant-based assistance under Section 8 of the 1937 Act.

**Service area or the neighborhood of the project** means an area within one mile of the Section 3 project or, if fewer than 5,000 people live within one mile of a Section 3 project, within a circle centered on the Section 3 project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census.

**Small PHA** means a public housing authority that manages or operates fewer than 250 public housing units.

**Subcontractor** means any entity that has a contract with a contractor to undertake a portion of the contractor's obligation to perform work in connection with the expenditure of public housing financial assistance or for a Section 3 project.

**Subrecipient** has the meaning provided in the applicable program regulations or in 2 CFR 200.93.

**Targeted Section 3 worker** has the meanings provided in §§75.11, 75.21, or 75.29, and does not exclude an individual that has a prior arrest or conviction.

**Very low-income person** means the definition for this term set forth in section 3(b)(2) of the 1937 Act.

**YouthBuild programs** refers to YouthBuild programs receiving assistance under the Workforce Innovation and Opportunity Act (29 U.S.C. 3226).

## **Subpart C—Additional Provisions for Housing and Community Development Financial Assistance**

### **§75.19 Requirements.**

(a) *Employment and training.* (1) To the greatest extent feasible, and consistent with existing Federal, state, and local laws and regulations, recipients covered by this subpart shall ensure that employment and training opportunities arising in connection with Section 3 projects are provided to Section 3 workers within the metropolitan area (or nonmetropolitan county) in which the project is located.

(2) Where feasible, priority for opportunities and training described in paragraph (a)(1) of this section should be given to:



- (i) Section 3 workers residing within the service area or the neighborhood of the project, and
- (ii) Participants in YouthBuild programs.

(b) *Contracting.* (1) To the greatest extent feasible, and consistent with existing Federal, state, and local laws and regulations, recipients covered by this subpart shall ensure contracts for work awarded in connection with Section 3 projects are provided to business concerns that provide economic opportunities to Section 3 workers residing within the metropolitan area (or nonmetropolitan county) in which the project is located.

(2) Where feasible, priority for contracting opportunities described in paragraph (b)(1) of this section should be given to:

(i) Section 3 business concerns that provide economic opportunities to Section 3 workers residing within the service area or the neighborhood of the project, and

(ii) YouthBuild programs.

**§75.21 Targeted Section 3 worker for housing and community development financial assistance.**

(a) *Targeted Section 3 worker.* A Targeted Section 3 worker for housing and community development financial assistance means a Section 3 worker who is:

(1) A worker employed by a Section 3 business concern; or

(2) A worker who currently fits or when hired fit at least one of the following categories, as documented within the past five years:

(i) Living within the service area or the neighborhood of the project, as defined in §75.5; or

(ii) A YouthBuild participant.

(b) [Reserved]

**§75.23 Section 3 safe harbor.**

(a) *General.* Recipients will be considered to have complied with requirements in this part, in the absence of evidence to the contrary if they:

(1) Certify that they have followed the prioritization of effort in §75.19; and

(2) Meet or exceed the applicable Section 3 benchmark as described in paragraph (b) of this section.

(b) *Establishing benchmarks.* (1) HUD will establish Section 3 benchmarks for Section 3 workers or Targeted Section 3 workers or both through a document published in the FEDERAL REGISTER. HUD may establish a single nationwide benchmark for Section 3 workers and a single nationwide

benchmark for Targeted Section 3 workers, or may establish multiple benchmarks based on geography, the nature of the Section 3 project, or other variables. HUD will update the benchmarks through a document published in the FEDERAL REGISTER, subject to public comment, not less frequently than once every 3 years. Such notice shall include aggregate data on labor hours and the proportion of recipients meeting benchmarks, as well as other metrics reported pursuant to §75.25 as deemed appropriate by HUD, for the 3 most recent reporting years.

(2) In establishing the Section 3 benchmarks, HUD may consider the industry averages for labor hours worked by specific categories of workers or in different localities or regions; averages for labor hours worked by Section 3 workers and Targeted Section 3 workers as reported by recipients pursuant to this section; and any other factors HUD deems important. In establishing the Section 3 benchmarks, HUD will exclude professional services from the total number of labor hours as such hours are excluded from the total number of labor hours to be reported per §75.25(a)(4).

(3) Section 3 benchmarks will consist of the following two ratios:

(i) The number of labor hours worked by Section 3 workers divided by the total number of labor hours worked by all workers on a Section 3 project in the recipient's program year.

(ii) The number of labor hours worked by Targeted Section 3 workers as defined in §75.21(a), divided by the total number of labor hours worked by all workers on a Section 3 project in the recipient's program year.

#### **§75.25 Reporting.**

(a) *Reporting of labor hours.* (1) For Section 3 projects, recipients must report in a manner prescribed by HUD:

(i) The total number of labor hours worked;

(ii) The total number of labor hours worked by Section 3 workers; and

(iii) The total number of labor hours worked by Targeted Section 3 workers.

(2) Section 3 workers' and Targeted Section 3 workers' labor hours may be counted for five years from when their status as a Section 3 worker or Targeted Section 3 worker is established pursuant to §75.31.

(3) The labor hours reported under paragraph (a)(1) of this section must include the total number of labor hours worked on a Section 3 project, including labor hours worked by any subrecipients, contractors and subcontractors that the recipient is required, or elects pursuant to paragraph (a)(4) of this section, to report.

(4) Recipients reporting under this section, as well as subrecipients, contractors and subcontractors who report to recipients, may report labor hours by Section 3 workers, under paragraph (a)(1)(ii) of this section, and labor hours by Targeted Section 3 workers, under paragraph (a)(1)(iii) of this section, from professional services without including labor hours from professional services in the

total number of labor hours worked under paragraph (a)(1)(i) of this section. If a contract covers both professional services and other work and the recipient or contractor or subcontractor chooses not to report labor hours from professional services, the labor hours under the contract that are not from professional services must still be reported.

(5) Recipients may report their own labor hours or that of a subrecipient, contractor, or subcontractor based on the employer's good faith assessment of the labor hours of a full-time or part-time employee informed by the employer's existing salary or time and attendance based payroll systems, unless the project or activity is otherwise subject to requirements specifying time and attendance reporting.

(b) *Additional reporting if Section 3 benchmarks are not met.* If the recipient's reporting under paragraph (a) of this section indicates that the recipient has not met the Section 3 benchmarks described in §75.23, the recipient must report in a form prescribed by HUD on the qualitative nature of its activities and those its contractors and subcontractors pursued. Such qualitative efforts may, for example, include but are not limited to the following:

- (1) Engaged in outreach efforts to generate job applicants who are Targeted Section 3 workers.
- (2) Provided training or apprenticeship opportunities.
- (3) Provided technical assistance to help Section 3 workers compete for jobs (*e.g.*, resume assistance, coaching).
- (4) Provided or connected Section 3 workers with assistance in seeking employment including: drafting resumes, preparing for interviews, and finding job opportunities connecting residents to job placement services.
- (5) Held one or more job fairs.
- (6) Provided or referred Section 3 workers to services supporting work readiness and retention (*e.g.*, work readiness activities, interview clothing, test fees, transportation, child care).
- (7) Provided assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.
- (8) Assisted Section 3 workers to obtain financial literacy training and/or coaching.
- (9) Engaged in outreach efforts to identify and secure bids from Section 3 business concerns.
- (10) Provided technical assistance to help Section 3 business concerns understand and bid on contracts.
- (11) Divided contracts into smaller jobs to facilitate participation by Section 3 business concerns.
- (12) Provided bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.

(13) Promoted use of business registries designed to create opportunities for disadvantaged and small businesses.

(14) Outreach, engagement, or referrals with the state one-stop system as defined in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.

(c) *Reporting frequency.* Unless otherwise provided, recipients must report annually to HUD under paragraph (a) of this section, and, where required, under paragraph (b) of this section, on all projects completed within the reporting year in a manner consistent with reporting requirements for the applicable HUD program.

#### **§75.27 Contract provisions.**

(a) Recipients must include language applying Section 3 requirements in any subrecipient agreement or contract for a Section 3 project.

(b) Recipients of Section 3 funding must require subrecipients, contractors, and subcontractors to meet the requirements of §75.19, regardless of whether Section 3 language is included in recipient or subrecipient agreements, program regulatory agreements, or contracts.

### **Subpart D—Provisions for Multiple Funding Sources, Recordkeeping, and Compliance**

#### **§75.29 Multiple funding sources.**

(a) If a housing rehabilitation, housing construction or other public construction project is subject to Section 3 pursuant to §75.3(a)(1) and (2), the recipient must follow subpart B of this part for the public housing financial assistance and may follow either subpart B or C of this part for the housing and community development financial assistance. For such a project, the following applies:

(1) For housing and community development financial assistance, a Targeted Section 3 worker is any worker who meets the definition of a Targeted Section 3 worker in either subpart B or C of this part; and

(2) The recipients of both sources of funding shall report on the housing rehabilitation, housing construction, or other public construction project as a whole and shall identify the multiple associated recipients. PHAs and other recipients must report the following information:

- (i) The total number of labor hours worked on the project;
- (ii) The total number of labor hours worked by Section 3 workers on the project; and
- (iii) The total number of labor hours worked by Targeted Section 3 workers on the project.

(b) If a housing rehabilitation, housing construction, or other public construction project is subject to Section 3 because the project is assisted with funding from multiple sources of housing and community development assistance that exceed the thresholds in §75.3(a)(2), the recipient or recipients

must follow subpart C of this part, and must report to the applicable HUD program office, as prescribed by HUD.

**§75.31 Recordkeeping.**

(a) HUD shall have access to all records, reports, and other documents or items of the recipient that are maintained to demonstrate compliance with the requirements of this part, or that are maintained in accordance with the regulations governing the specific HUD program by which the Section 3 project is governed, or the public housing financial assistance is provided or otherwise made available to the recipient, subrecipient, contractor, or subcontractor.

(b) Recipients must maintain documentation, or ensure that a subrecipient, contractor, or subcontractor that employs the worker maintains documentation, to ensure that workers meet the definition of a Section 3 worker or Targeted Section 3 worker, at the time of hire or the first reporting period, as follows:

(1) For a worker to qualify as a Section 3 worker, one of the following must be maintained:

(i) A worker's self-certification that their income is below the income limit from the prior calendar year;

(ii) A worker's self-certification of participation in a means-tested program such as public housing or Section 8-assisted housing;

(iii) Certification from a PHA, or the owner or property manager of project-based Section 8-assisted housing, or the administrator of tenant-based Section 8-assisted housing that the worker is a participant in one of their programs;

(iv) An employer's certification that the worker's income from that employer is below the income limit when based on an employer's calculation of what the worker's wage rate would translate to if annualized on a full-time basis; or

(v) An employer's certification that the worker is employed by a Section 3 business concern.

(2) For a worker to qualify as a Targeted Section 3 worker, one of the following must be maintained:

(i) For a worker to qualify as a Targeted Section 3 worker under subpart B of this part:

(A) A worker's self-certification of participation in public housing or Section 8-assisted housing programs;

(B) Certification from a PHA, or the owner or property manager of project-based Section 8-assisted housing, or the administrator of tenant-based Section 8-assisted housing that the worker is a participant in one of their programs;

(C) An employer's certification that the worker is employed by a Section 3 business concern; or



(D) A worker's certification that the worker is a YouthBuild participant.

(ii) For a worker to qualify as a Targeted Section 3 worker under subpart C of this part:

(A) An employer's confirmation that a worker's residence is within one mile of the work site or, if fewer than 5,000 people live within one mile of a work site, within a circle centered on the work site that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census;

(B) An employer's certification that the worker is employed by a Section 3 business concern; or

(C) A worker's self-certification that the worker is a YouthBuild participant.

(c) The documentation described in paragraph (b) of this section must be maintained for the time period required for record retentions in accordance with applicable program regulations or, in the absence of applicable program regulations, in accordance with 2 CFR part 200.

(d) A PHA or recipient may report on Section 3 workers and Targeted Section 3 workers for five years from when their certification as a Section 3 worker or Targeted Section 3 worker is established.

### **§75.33 Compliance.**

(a) *Records of compliance.* Each recipient shall maintain adequate records demonstrating compliance with this part, consistent with other recordkeeping requirements in 2 CFR part 200.

(b) *Complaints.* Complaints alleging failure of compliance with this part may be reported to the HUD program office responsible for the public housing financial assistance or the Section 3 project, or to the local HUD field office.

(c) *Monitoring.* HUD will monitor compliance with the requirements of this part. The applicable HUD program office will determine appropriate methods by which to oversee Section 3 compliance. HUD may impose appropriate remedies and sanctions in accordance with the laws and regulations for the program under which the violation was found

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

**I. GENERAL INFORMATION**

CITY NAME: City of Lake Elsinore UEI #:MXKFT7NUYL61

ADDRESS: 130 S. Main Street  
Lake Elsinore, CA 92532

PROGRAM CONTACTS: Jason Simpson, City Manager

PHONE : 951-674-3124 FAX : (951) 471-0052

E-MAIL : jsimpson@lake-elsinore.org

PROJECT NAME: City Park Improvements

PROJECT LOCATION: 243 S. Main Street, Lake Elsinore, CA 92530

LEVEL OF ENVIRONMENTAL CLEARANCE: Categorical Exclusion

CDBG ELIGIBILITY CODE: 570.201 (c)

PROJECT FUNDING SUMMARY: **\$431,287**

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

**II. SCOPE OF SERVICE**

**A. Activities**

City will be responsible for administering a **2022-2023** Community Development Block Grant for the **City Park Improvements** 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 City of Lake Elsinore will utilize CDBG funds for improvements at City Park. Improvements include ADA-compliant sidewalk, parking lot improvements, security lighting, and other enhancements. CDBG funds will be used to pay for the design, construction, project management, compliance monitoring, inspection, and other related expenses.*

**B. National Objective**

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

National Objective Criteria: 570.208 (a)(1)(i)

CFR Reference: Low Mod Area

**C. Levels of Accomplishment – Goals and Performance Measures**

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

Activity #1: *ADA accessibility sidewalk improvements, parking lot improvements, security lighting, other enhancements*

Activity #2: *Design, construction, project management, compliance monitoring, inspection, and other related expenses.*

**CPD OUTCOME PERFORMANCE MEASUREMENT**

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

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

**D. City Capacity**

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

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

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

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**E. Performance Monitoring**

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

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

**F. Program Budget**

It is expressly agreed and understood that the total amount to be paid by the County under this Agreement shall not exceed \$431,287 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 City shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the County. Any amendments to the budget must be approved in writing by both the County and City.

Line Item	CDBG Granted Funds	Total of Non-CDBG Funds	Total Activity/Project Budget	Notes
Design/Engineering Costs	X	\$395,880	\$ 827,167	
Project Administration Costs	X			
Construction Costs	X			
Acquisition Costs				
Relocations Costs				
Capital Equipment Costs				
Code Enforcement				
Clearance				
Interim Assistance				
Indirect Costs:				
<b>TOTAL CDBG BUDGET</b>	<b>\$431,287</b>	<b>\$395,880</b>	<b>\$827,167</b>	



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

TYPE	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	TOTAL
FEDERAL							
STATE/LOCAL	Gen Fund	\$15,000					\$15,000
PRIVATE							
OTHER	Tax incremer	\$380,880					\$380,880
<b>TOTAL:</b>							<b>\$395,880</b>

**III. ADMINISTRATIVE REQUIREMENTS**

**A. Accounting Standards**

The City 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 City 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**

**I. 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.



## 2. Records Retention

The City shall retain all CDBG-related financial records, supporting documents, contracts, and agreements 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 for the final time. The City will retain all National Objective documentation, including low-moderate income certification, ethnicity, and other pertinent data for a period of four (4) years after submission of the County's annual performance and evaluation report to HUD. 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.

## 3. Client Data

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

## 4. Disclosure

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

## 5. Close-outs

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

## 6. Audits & Inspections

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

**IV. PROJECT IMPLEMENTATION AND SCHEDULE**

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

<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Complete CDBG Training	September 2022	September 2022
Implement Project Activities	Upon Notification from HWS	
Execute Amended and Restated Supplemental Agreement & Notice to Incur Cost	October 2024	November 2024

<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Amended &amp; Restated Completion Date</u>
Submit Quarterly Performance Reports to County	October 2022	Through June 2026
County Monitoring of City Program/Performance	To be determined by Program Manager	

**Specific Project Activities:**

1. City executes Supplemental Agreement; receives Authorization to Incur Cost letter
2. City signs Amended and Restated Supplemental Agreement
3. City prepares final construction documents (incorporating Special Federal Provisions) for HWS review and approval
4. HWS authorizes City to advertise for bids
5. HWS reviews and approves bidding process
6. City awards construction contract
7. City and HWS conduct "pre-construction meeting"
8. HWS authorizes City to issue "Notice to Proceed"

City Submits Reimbursement Requests

Monthly Submittal

Other Schedule

To be determined by Program Manager

CDBG-funded Project Complete

June 30, 2026

**V. SPECIAL CONDITIONS /PERFORMANCE REQUIREMENTS**

City must follow proper procurement and construction policies and procedures of the City and CDBG regulations. No construction will shall commence using CDBG funding without prior Notice to Proceed. Pre-Construction meeting required. City is required to contact the County Program Manager for review prior to submission of RFP, construction activity or cost without prior written approval. County must be contacted 10 days in advance for attendance of Pre-Construction meeting. Original Certified payrolls to be submitted on a weekly basis to County.

File No: 3.MR.76-23

**AMENDED AND RESTATED SUPPLEMENTAL AGREEMENT FOR THE USE OF  
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

This Amended and Restated Supplemental Agreement ("Agreement"), for the use of Community Development Block Grant funds, is made and entered into this 29 day of October, 2024, 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 the **CITY OF Murrieta**, herein called "CITY." COUNTY and CITY are collectively referred to as "Parties" and individually as "Party."

The COUNTY and CITY mutually agree as follows:

WHEREAS, COUNTY and CITY entered into a certain Supplemental Agreement ("Agreement") for the use of Community Development Block Grant ("CDBG") funds, executed **December 27 2023**, wherein **\$420,891** in CDBG funds were allocated to CITY by COUNTY and designated for a specific use of Pedestrian Safety Enhancement Project; and

WHEREAS, although the Original Agreement, by its terms, expired on June 30, 2024, CITY has continued to provide the services set forth in Exhibit "A" of the Original Agreement through the date of this Agreement; and

WHEREAS, COUNTY and CITY desire to amend and restate the Original Agreement to extend the period of performance through June 30, 2026; and

WHEREAS, pursuant to Minute Order 3.30 on August 1, 2023, Board of Supervisors approved and adopted the 2023-2024 One-Year Action Plan of the 2019-2024 Five Year Consolidated Plan approving \$420,891.20 funding for the Pedestrian Safety Enhancement Project.

WHEREAS, COUNTY and CITY desire to amend and restate the Agreement to reflect an increase in CDBG funds allocated to CITY in the amount of **\$367,407**, for a new total grant amount of **\$788,298**; and

OCT 29 2024 3.16

1                   WHEREAS, upon the execution of this Agreement, the Original Agreement  
2 shall be superseded and replaced.

3                   NOW, THEREFORE, in consideration of the foregoing promises and the mutual  
4 covenants and conditions hereinafter set forth, the COUNTY and CITY hereby agree as follows:

5                   1.     PURPOSE. CITY promises and agrees to undertake and assist with COUNTY's  
6 community development activities by utilizing the sum of **\$788,298**, ("CDBG Entitlement Funds"),  
7 as specifically identified in Exhibit A which is attached hereto and incorporated herein by this  
8 reference, for the following project: **Pedestrian Safety Enhancement Project**.

9                   2.     TERM OF AGREEMENT. This Agreement commences on December 27, 2023  
10 and shall continue in full force and effect until **JUNE 30, 2026**

11                   3.     COMPLETION SCHEDULE. CITY shall proceed consistent with Section IV as set  
12 forth in Exhibit A.

13                   4.     EXTENSION OF TIME. COUNTY may grant an extension, in its sole and absolute  
14 discretion, to the completion schedule for the purpose of completing CITY'S projects/activities  
15 which are underway and cannot be completed during the term of this Agreement. CITY shall request  
16 said extension in writing, stating the reasons therefore, and may be granted only by receiving written  
17 approval from COUNTY. Every term, condition, covenant and requirement of this Agreement shall  
18 continue in full force and effect during the period of any such extension. In the event that the CITY  
19 does not request an extension, or if no extension is authorized by the COUNTY, this Agreement may  
20 be terminated consistent with the termination procedures as set forth in Section 22 of this Agreement.

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

24                   6.     NOTICES. Each notice, request, demand, consent, approval or other  
25 communication (hereinafter in this Section referred to collectively as "notices" and referred to singly  
26 as a "notice") which the COUNTY or CITY is required or permitted to give to the other party  
27 pursuant to this Agreement shall be in writing and shall be deemed to have been duly and sufficiently  
28 given if: (a) personally delivered with proof of delivery thereof (any notice so delivered shall be

1 deemed to have been received at the time so delivered); or (b) sent by Federal Express (or other  
2 similar national overnight courier) designating early morning delivery (any notice so delivered shall  
3 be deemed to have been received on the next business day following receipt by the courier); or (c)  
4 sent by United States registered or certified mail, return receipt requested, postage prepaid, at a post  
5 office regularly maintained by the United States Postal Service (any notice so sent shall be deemed  
6 to have been received two days after mailing in the United States), addressed to the respective parties  
7 as follows:

<u>COUNTY</u>	<u>CITY</u>
Heidi Marshall, Director	Kim Summer, City Manager
Housing and Workforce Solutions HWS	City of Murrieta
P.O. Box 1528	1 Town Square
Riverside, CA 92502	Murrieta, CA 92562

13 7. DISBURSEMENT OF FUNDS. COUNTY'S Board of Supervisors shall determine the  
14 final disposition and disbursement of all funds received by COUNTY under the Act consistent with  
15 the provisions of Sections 1 and 2 of this Agreement. COUNTY, through its Department of Housing  
16 and Workforce Solutions, shall: (1) make payments of the grant funds to CITY as set forth in Exhibit  
17 A, attached hereto, and (2) monitor the CDBG-funded activity to ensure compliance with applicable  
18 federal regulations and the terms of this Agreement.

19 8. PAYMENT OF FUNDS. The COUNTY shall pay to the CITY the sum specified in  
20 Section 1 above on a reimbursable basis for all COUNTY-approved costs. The CITY shall submit  
21 not more often than monthly to the CDBG Administrator of COUNTY a certified statement setting  
22 forth in detail the expenditures made for which it is asking reimbursement along with pertinent  
23 supporting documentation. The COUNTY shall promptly review the monthly expenditure statement  
24 and reimburse the CITY for the approved costs in accordance with its usual accounting procedures.  
25 The COUNTY may require from CITY such supporting documentation as may be necessary and  
26 appropriate for the COUNTY to make its determination as to allowable costs. Each disbursement of  
27 CDBG funds shall be made within thirty (30) days after CITY has submitted, to the COUNTY, a  
28 complete and written approved statement of expenditures. In the event the United States Department



1 of Housing and Urban Development (“HUD”) determines the purpose or any of the expenditures  
2 above described are ineligible for funding by the COUNTY, the CITY shall reimburse the COUNTY  
3 the amount of the cost so disallowed.

4 9. RECORDS AND INSPECTIONS.

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

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

15 ii. when the CITY is notified in writing by the COUNTY, HUD, or other  
16 Federal agency to extend the retention period;

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

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

21 b. CITY shall maintain a separate account for CDBG Entitlement Funds received  
22 as set forth in Exhibit A.

23 c. CITY shall obtain an external audit in accordance with the Uniform  
24 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR  
25 Section 200.500). Audits shall usually be performed annually but not less frequently than every two  
26 years. Nonprofit institutions and government agencies that expend less than \$750,000 a year in  
27 federal awards are exempt from federal audit requirements, but records must be available for review  
28 by appropriate officials of the federal grantor agency or subgranting entity. The audit report shall be

1 submitted to the COUNTY within 180 days after the end of the COUNTY'S fiscal year.

2 d. CITY shall, during the normal business hours make available to COUNTY and  
3 to HUD for examination and copying all of its records and other materials with respect to matters  
4 covered by this Agreement.

5 e. CITY shall not retain any program income as defined in 24 CFR 570.500.

6 f. CITY shall submit to the COUNTY copies of all studies and reports prepared  
7 for this project and the COUNTY shall have the right to the use and benefit of all such studies and  
8 reports.

9 g. If this CDBG-funded activity meets a National Objective by serving limited  
10 clientele as defined in 24 CFR 570.208(a)(2)(i), the CITY shall ensure that at least fifty-one percent  
11 (51%) of the persons benefiting from the CDBG funded activities are of low and moderate-income  
12 and meet the program income guidelines as designated by HUD regulation. The CITY must provide  
13 the required direct benefit documentation in writing to the COUNTY.

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

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

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

24 c. Compliance with Executive Order 11246 of September 24, 1965, entitled  
25 "Equal Employment Opportunity", as amended by Executive Order 11375 of October 13, 1967, and  
26 as supplemented in Department of Labor Regulations (41 CFR Part 60). The CITY will not  
27 discriminate against any employee or applicant for employment because of race, color, religion,  
28 sex, sexual orientation, general identity or national origin. CITY will ensure that all qualified

1 applicants will receive consideration for employment without regard to race, color, religion, sex,  
2 sexual orientation, gender identity or national origin. The CITY will take affirmative action to  
3 ensure that applicants are employed, and the employees are treated during employment, without  
4 regard to their race color, religion, sex, sexual orientation, gender identity or national origin. Such  
5 actions shall include, but are not limited to, the following: employment, up-grading, demotion, or  
6 transfer; recruitment or recruitment advertising; rates of pay or other forms of compensation; and  
7 selection for training, including apprenticeship. The CITY agrees to post in a conspicuous place,  
8 available to employees and applicants for employment, notices to be provided by the County setting  
9 forth the provisions of this non-discrimination clause;

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

12 e. Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112), as amended,  
13 and implementing regulations;

14 f. The Age Discrimination Act of 1975 (Pub. L. 94-135), as amended, and  
15 implementing regulations;

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

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

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

23 j. The flood insurance purchase requirements of Section 102(a) of the Flood  
24 Disaster Protection Act of 1973 (Pub. L. 93-234);

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

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

3           m.       Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284) as amended; and

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

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

7           p.       The Build America, Buy America (BABA) Act, 41 USC 8301 note, and all  
8 applicable rules and notices, as may be amended, if applicable to the Grantee's infrastructure  
9 project. Pursuant to HUD's Notice, "*Public Interest Phased Implementation Waiver for FY 2022*  
10 *and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal*  
11 *Assistance*" (88 FR 17001), any funds obligated by HUD on or after the applicable listed effective  
12 dates, are subject to BABA requirements, unless expected by a waiver.

13  
14           q.       The CITY shall carry out its activity pursuant to this Agreement in compliance  
15 with all federal laws and regulations described in Subpart K of Title 24 of the Code of Federal  
16 Regulations, except that:

17                   (1)       Pursuant to 24 CFR Section 570.604, the CITY does not assume the  
18 COUNTY'S environmental responsibilities under the National Environmental Policy Act of 1969  
19 (NEPA); and

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

22           r.       *Copeland "Anti-Kickback" Act (18 U.S.C. Section 874 and 40 U.S.C.A.*  
23 *Section 3145)*: All contracts and subgrants in excess of \$2,000 for construction or repair awarded  
24 by recipients and subrecipients shall include a provision for compliance with the Copeland "Anti-  
25 Kickback" Act (18 U.S.C. Section 874), as supplemented by Department of Labor Regulations (29  
26 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole  
27 or in Part by Loans or Grants from the United States") ("Anti-Kickback Act"). The Anti-Kickback  
28 Act provides that each contractor or subrecipient shall be prohibited from inducing, by any means,

1 any person employed in the construction, completion, or repair of public work, to give up any part  
2 of the compensation to which he is otherwise entitled. The recipient shall report all suspected or  
3 reported violations to HUD.

4 s. *Davis-Bacon Act, as amended (40 U.S.C.A. Section 3141-3148)*: When  
5 required by Federal program legislation, all construction contracts awarded by the recipients and  
6 subrecipients of more than \$2,000 shall include a provision for compliance with the Davis-Bacon  
7 Act (40 U.S.C.A. Section 3148) and as supplemented by Department of Labor Regulations (29 CFR  
8 Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and  
9 Assisted Construction"). Under the Davis Bacon Act, contractors shall be required to pay wages to  
10 laborers and mechanics at a rate not less than the minimum wages specified in a wage determination  
11 made by the U.S. Secretary of Labor. In addition, contractors shall be required to pay wages not  
12 less than once a week. The recipient shall place a copy of the current prevailing wage determination  
13 issued by the U.S. Department of Labor in each solicitation and the award of a contract shall be  
14 conditioned upon the acceptance of the wage determination. The recipient shall report all suspected  
15 or reported violations to HUD.

16 t. *Contract Work Hours and Safety Standards (40 U.S.C.A. 3701-3708)*: Where  
17 applicable, all contracts awarded by CITY in excess of \$2,000 for construction contracts and in  
18 excess of \$2,500 for other contracts that involve the employment of mechanics or laborers shall  
19 include a provision for compliance with the Contract Work Hours and Safety Standards (40  
20 U.S.C.A. 3701-3708), as supplemented by Department of Labor Regulations (29 CFR Part 5).  
21 Under Section 40 U.S.C.A. 3702, each contractor shall be required to compute the wages of every  
22 mechanic and laborer on the basis of a standard workweek of 40 hours. Work in excess of the  
23 standard workweek is permissible provided that the worker is compensated at a rate of not less than  
24 1 1/2 times the basic rate of pay for all hours worked in excess of 40 hours in the workweek. 40  
25 U.S.C.A. 3704 is applicable to construction work and provides that no laborer or mechanic shall be  
26 required to work in surroundings or under working conditions which are unsanitary, hazardous or  
27 dangerous. These requirements do not apply to the purchases of supplies or materials or articles  
28 ordinarily available on the open market, or contracts for transportation or transmission of



1 intelligence.

2 u. *Rights to Inventions Made Under a Contract or Agreement:* Contracts or  
3 agreements for the performance of experimental, developmental, or research work shall provide for  
4 the rights of the Federal Government and the recipient in any resulting invention in accordance with  
5 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms  
6 Under Government Grants, Contracts and Cooperative Agreements," and any implementing  
7 regulations issued by HUD.

8 v. *Rights to Data and Copyrights:* Contractors and consultants agree to comply  
9 with all applicable provisions pertaining to the use of data and copyrights pursuant to 48 CFR Part  
10 27.404-3, Federal Acquisition Regulations (FAR).

11 w. *Air Pollution Prevention and Control* (formally known as the *Clean Air Act*)  
12 (42 U.S.C.A. 7401 *et seq.*) and the *Federal Water Pollution Control Act* (33 U.S.C.A. Section 1251  
13 *et seq.*), as amended: Contracts and subgrants of amounts in excess of \$100,000 shall contain a  
14 provision that requires the recipient to agree to comply with all applicable standards, orders or  
15 regulations issued pursuant to the *Clean Air Act* (42 U.S.C.A. 7401 *et seq.*) and the *Federal Water*  
16 *Pollution Control Act* as amended (33 U.S.C.A. Section 1251 *et seq.*). Violations shall be reported  
17 to HUD and the Regional Office of the Environmental Protection Agency (EPA).

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

26 "The undersigned certifies, to the best of his or her knowledge or belief, that:

27 No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to  
28 any person for influencing or attempting to influence an officer or employee of any agency, a

1 Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress  
 2 in connection with the awarding of any Federal contract, the making of any Federal grant, the  
 3 making of any Federal loan, the entering into of any cooperative agreement, and the extension,  
 4 continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or  
 5 cooperative agreement;

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

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

20 z. *Drug-Free Workplace Requirements:* The Anti-Drug Abuse Act of 1988 (41  
 21 U.S.C.A. Section 8101-8103) requires grantees (including individuals) of federal agencies, as a  
 22 prior condition of being awarded a grant, to certify that they will provide drug-free workplaces.  
 23 Each potential recipient must certify that it will comply with drug-free workplace requirements in  
 24 accordance with the Act and with HUD's rules at 2 CFR Part 2425.

25 a-2. *Access to Records and Records Retention:* The Consultant or Contractor, and  
 26 any sub-consultants or sub-contractors, shall allow all duly authorized Federal, State, and/or County  
 27 officials or authorized representatives access to the work area, as well as all books, documents,  
 28 materials, papers, and records of the Consultant or Contractor, and any sub-consultants or sub-

1 contractors, that are directly pertinent to a specific program for the purpose of making audits,  
 2 examinations, excerpts, and transcriptions. The Consultant or Contractor, and any sub-consultants  
 3 or sub-contractors, further agree to maintain and keep such books, documents, materials, papers,  
 4 and records, on a current basis, recording all transactions pertaining to this agreement in a form in  
 5 accordance with generally acceptable accounting principles. All such books and records shall be  
 6 retained for such periods of time as required by law, provided, however, notwithstanding any shorter  
 7 periods of retention, all books, records, and supporting detail shall be retained for a period of at least  
 8 four (4) years after the expiration of the term of this Agreement.

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

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

16           cc. *Procurement of Recovered Materials (2 CFR 200.323):* A non-Federal entity  
 17 that is a state agency or agency of a political subdivision of a state and its contractors must comply  
 18 with 42 U.S.C. Section 6962 of the Solid Waste Disposal Act (42 U.S.C.A. Section 6901, et seq.),  
 19 as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002  
 20 include procuring only items designated in guidelines of the Environmental Protection Agency  
 21 (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable,  
 22 consistent with maintaining a satisfactory level of competition, where the purchase price of the item  
 23 exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded  
 24 \$10,000; procuring solid waste management services in a manner that maximizes energy and  
 25 resource recovery; and establishing an affirmative procurement program for procurement of  
 26 recovered materials identified in the EPA guidelines.

27           dd. *Political Activities:* CDBG funds shall not be used to finance the use of  
 28 facilities or equipment for political purposes or to engage in other partisan political activities, such

1 as candidate forums, voter transportation, or voter registration subject to the exceptions listed in 24  
2 CFR 570.207(a)(3).

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

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

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

14 14. HOLD HARMLESS AND INDEMNIFICATION. CITY shall indemnify and hold  
15 harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their  
16 respective directors, officers, Board of Supervisors, elected and appointed officials, employees,  
17 agents and representatives (individually and collectively hereinafter referred to as "Indemnitees")  
18 from any liability whatsoever, based or asserted upon any services of CITY, its officers, employees,  
19 subcontractors, agents, or representatives arising out of or in any way relating to this Agreement,  
20 including but not limited to property damage, bodily injury, or death or any other element of any  
21 kind or nature whatsoever arising from the performance of CITY, its officers, agents, employees,  
22 subcontractors, or representatives Indemnitors from this Agreement. CITY shall defend, at its sole  
23 expense, all costs and fees including, but not limited, to attorney fees, cost of investigation, defense  
24 and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or  
25 omissions.

26 With respect to any action or claim subject to indemnification herein by CITY, CITY shall, at  
27 their sole cost, have the right to use counsel of their own choice and shall have the right to adjust,  
28 settle, or compromise any such action or claim without the prior consent of COUNTY; provided,

1 however, that any such adjustment, settlement or compromise in no manner whatsoever limits or  
2 circumscribes CITY'S indemnification to Indemnitees as set forth herein.

3 CITY'S obligation hereunder shall be satisfied when CITY has provided to COUNTY the  
4 appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved.

5 The specified insurance limits required in this Agreement shall in no way limit or circumscribe  
6 CITY'S obligations to indemnify and hold harmless the COUNTY herein from third party claims.  
7 The hold harmless and indemnification obligations set forth herein shall survive the termination and  
8 expiration of this Agreement.

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

12 15. INSURANCE. Without limiting or diminishing the CITY'S obligation to indemnify or  
13 hold the COUNTY harmless, CITY shall procure and maintain or cause to be maintained, at its sole  
14 cost and expense, the following insurance coverage's during the term of this Agreement. As respects  
15 to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies,  
16 Districts, Special Districts, and Departments, their respective directors, officers, Board of COUNTY  
17 OF RIVERSIDE Supervisors, employees, elected or appointed officials, agents, or representatives  
18 as Additional Insureds.

19 a. Workers' Compensation:

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

25 b. Commercial General Liability:

26 Commercial General Liability insurance coverage, including but not limited to,  
27 premises liability, contractual liability, products and completed operations liability, personal and  
28 advertising injury, and cross liability coverage, covering claims which may arise from or out of



1 CITY'S performance of its obligations hereunder. Policy shall name the County of Riverside as  
2 Additional Insured. Policy's limit of liability shall not be less than \$2,000,000 per occurrence  
3 combined single limit. If such insurance contains a general aggregate limit, it shall apply separately  
4 to this agreement or be no less than two (2) times the occurrence limit.

5 b.1: Sexual Abuse or Molestation (SAM) Liability:

6 If the work will include contact with minors, and the Commercial General Liability policy is not  
7 endorsed to include affirmative coverage for sexual abuse or molestation, Vendor/Contractor shall  
8 obtain and maintain a policy covering Sexual Abuse and Molestation with a limit no less than  
9 \$2,000,000 per occurrence or claim.

10 c. Vehicle Liability:

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

16 d. General Insurance Provisions - All lines:

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

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

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

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

22 (v). If, during the term of this Agreement or any extension thereof, there is a material  
23 change in the scope of services; or, there is a material change in the equipment to be used in the  
24 performance of the scope of or, the term of this Agreement, including any extensions thereof,  
25 exceeds five (5) years, the COUNTY reserves the right to adjust the types of insurance required  
26 under this Agreement and the monetary limits of liability for the insurance coverage's currently  
27 required herein, if; in the County Risk Manager's reasonable judgment, the amount or type of  
28 insurance carried by the CITY has become inadequate.

1 (vi). CITY shall pass down the insurance obligations contained herein to all tiers of  
2 subcontractors working under this Agreement.

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

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

7 16. FEDERAL REQUIREMENTS. CITY shall comply with the provisions of the Act and  
8 any amendments thereto and the federal regulations and guidelines now or hereafter enacted pursuant  
9 to the Act. More particularly, CITY is to comply with those regulations found in the Uniform  
10 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR  
11 Part 200) and 24 CFR Part 570. CITY is to abide by the provisions of the COUNTY's CDBG  
12 policies.

13 17. PROGRAM INCOME. CITY, who is a subrecipient as defined in 24 CFR Part  
14 570.500(c), shall not retain any program income as defined in 24 CFR 570.500. Any and all program  
15 income shall be retained by the COUNTY pursuant to 24 CFR 570.504.

16 18. INDEPENDENT CAPACITY. The CITY is, for purposes relating to this Agreement,  
17 an independent contractor and shall not be deemed an employee, officer, or agent of the COUNTY.  
18 It is expressly understood and agreed that the CITY (including its employees, agents and  
19 subcontractor's) shall in no event be entitled to any benefits to which the COUNTY employees are  
20 entitled, including but not limited to overtime, any retirement benefits, worker's compensation  
21 benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship  
22 between the parties; and the CITY shall hold the COUNTY harmless from any and all claims that  
23 may be made against the COUNTY based upon any contention by a third party that an employer-  
24 employee relationship exists by reason of this Agreement. It is further understood and agreed by the  
25 Parties that the CITY in the performance of this Agreement is subject to the control or direction of  
26 the COUNTY merely as to the results to be accomplished and not as to the means and methods for  
27 accomplishing the results.

28 19. NONDISCRIMINATION. CITY shall abide by 24 CFR Sections 570.601 and 570.912

1 which require that no person in the United States shall on the ground of race, color, religion, national  
2 origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to  
3 discrimination under any program or activity funded in whole or in part with CDBG funds.

4 CITY agrees to abide by and include in any subcontracts to perform work under this  
5 Agreement, the following clause:

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

19 19. PROHIBITION AGAINST CONFLICTS OF INTEREST.

20 a. CITY and its assigns, employees, agents, consultants, officers and elected and  
21 appointed officials shall become familiar with and shall comply with the Uniform Administrative  
22 Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200) and  
23 the CDBG regulations prohibiting conflicts of interest contained in 24 CFR 570.611.

24 b. The CITY shall maintain a written code or standards of conduct that shall  
25 govern the performance of its officers, employees or agents engaged in the award and administration  
26 of contracts supported by Federal funds.

27 c. No employee, officer or agent of the CITY shall participate in the selection, or  
28 in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real

1 or apparent, would be involved.

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

11 e. CITY understands and agrees that no waiver or exception can be granted to the  
12 prohibition against conflict of interest except upon written approval of HUD pursuant to 24 CFR  
13 570.611(d). Any request by CITY for an exception shall first be reviewed by COUNTY to determine  
14 whether such request is appropriate for submission to HUD. In determining whether such request is  
15 appropriate for submission to HUD, COUNTY will consider the factors listed in 24 CFR  
16 570.611(d)(2).

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

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

25 20. RELIGIOUS ACTIVITIES. CITY shall adhere to the regulations set forth in Exhibit  
26 "R", attached hereto and incorporated herein by this reference.

27 21. LOBBYING. The CITY certifies to the best of its knowledge and belief, that:

28 a. No federally appropriated funds have been paid or will be paid, by or on behalf



1 of the undersigned, to any person for influencing or attempting to influence an officer or employee  
2 of any agency, a member of Congress, an officer or employee of Congress, or an employee of a  
3 member of Congress in connection with the awarding of any federal contract, the making of any  
4 federal grant, the making of any federal loan, the entering into of any cooperative agreement, and  
5 the extension, continuation, renewal, amendment, or modification of any federal contract, grant,  
6 loan, or cooperative agreement.

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

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

18 22. TERMINATION.

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

21 b. COUNTY. Notwithstanding the provisions of Section 22a above, COUNTY  
22 may suspend or terminate this Agreement upon written notice to CITY of the action being taken and  
23 the reason for such actions including but not limited to the following reasons:

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

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

28 or

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

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

12 d. Reversion of Assets

13 1. Upon expiration of this Agreement, the CITY shall transfer to the  
14 COUNTY any CDBG funds, including but not limited to the CDBG Entitlement funds on hand at  
15 the time of expiration of the Agreement as well as any accounts receivable held by CITY which are  
16 attributable to the use of CDBG funds awarded pursuant to this Agreement.

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

20 (i) Used to meet one of the National Objectives in 24 CFR Section  
21 570.208 until five years after expiration of this agreement, or for such longer period of time as  
22 determined to be appropriate by the COUNTY; or

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

27 23. PUBLICITY. Any publicity generated by CITY for the project funded pursuant to this  
28 Agreement, during the term of this Agreement, will make reference to the contribution of the County

1 of Riverside Community Development Block Grant Program in making the project possible.

2 24. PROGRAM MONITORING AND EVALUATION. CITY shall be monitored and  
3 evaluated in terms of its effectiveness and timely compliance with the provisions of this Agreement  
4 and the effective and efficient achievement of the CDBG National Objectives as set forth in Exhibit  
5 A, attached hereto. CITY shall be monitored and evaluated in terms of its effectiveness and timely  
6 compliance with the provisions of this Agreement and the effective and efficient achievement of the  
7 Program Objectives. Quarterly reports shall be due on the fifteenth (15<sup>th</sup>) day of the month  
8 immediately following the end of the quarter being reported. The quarterly written reports shall  
9 include, but shall not be limited to the following data elements:

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

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

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

17 1) Total number of direct beneficiaries (clientele served) with median  
18 household income (MHI):

- 19 • Above 80% MHI
- 20 • Between 50% and 80% MHI (Low-Income)
- 21 • Between 30% and 50% MHI (Very Low-Income)
- 22 • Below 30% MHI (Extremely Low-Income)

23 2) Total number and percentage of all clients at, or below, 80% MHI

24 3) Racial ethnicity of clientele

25 4) Number of Female-Headed Households

26 d. CITY shall report beneficiary statistics monthly, or as otherwise required, to  
27 COUNTY on the pre-approved *Direct Benefit Form* and *Self-Certification Form* (certifying income,  
28 family size, and racial ethnicity) as required by HUD. In the event that HUD or COUNTY

1 implement changes to the reporting requirements, CITY will be provided with updated forms and  
2 instructions necessary to comply with the reporting requirements of HUD's Outcome Performance  
3 Measurement System.

4 25. PRIOR COUNTY APPROVAL (CONSTRUCTION ACTIVITIES). CITY shall  
5 obtain COUNTY's written approval, through its Department of Housing and Workforce Solutions,  
6 of the project plans, specifications, and construction documents prior to CITY's construction of same  
7 for all projects consisting of CDBG-funded construction activities. The County neither undertakes  
8 nor assumes nor will have any responsibility or duty to CITY or to any third party to review, inspect,  
9 supervise, pass judgment upon or inform CITY or any third party of any matter in connection with  
10 the development or construction of the improvements, whether regarding the quality, adequacy or  
11 suitability of the plans, any labor, service, equipment or material furnished to the property, any  
12 person furnishing the same, or otherwise. CITY and all third parties shall rely upon its or their own  
13 judgment regarding such matters, and any review, inspection, supervision, exercise of judgment or  
14 information supplied to CITY or to any third party by the County in connection with such matter is  
15 for the public purpose of assisting with a community development and housing activity pursuant to  
16 the Act, and neither CITY (except for the purposes set forth in this Agreement) nor any third party  
17 is entitled to rely thereon. The County shall not be responsible for any of the work of construction,  
18 improvement, or development of the property.

19 It is the responsibility of CITY, without cost to County, to ensure that all applicable local  
20 jurisdiction land use requirements will permit development of the property and construction of the  
21 improvements and the use, operation, and maintenance of such Improvements in accordance with  
22 the provisions of this Agreement. Nothing contained herein shall be deemed to entitle CITY to any  
23 local jurisdiction or County permit or other local jurisdiction or County approval necessary for the  
24 development of the Property, or waive any applicable local jurisdiction or County requirements  
25 relating thereto. This Agreement does not (a) grant any land use entitlement to CITY, (b) supersede,  
26 nullify, or amend any condition which may be imposed by the local jurisdiction in connection with  
27 approval of the development described herein, (c) guarantee to CITY or any other party any profits  
28

1 from the development of the Property, or (d) amend any local jurisdiction or County laws, codes or  
2 rules.

3 26. PRIOR COUNTY APPROVAL (AQUISITION ACTIVITIES). CITY shall obtain  
4 COUNTY's written approval and authorization to proceed, through its Department of Housing and  
5 Workforce Solutions, of all CDBG-funded real property acquisition activities.

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

14 a. Title to the real property shall vest in CITY;  
15 b. The real property will be held by CITY, or the constructed facility will be  
16 maintained by the CITY, for a minimum period of five (5) years from the date the CDBG-funded  
17 activity is closed-out and reported as complete by the COUNTY through the Comprehensive Annual  
18 Performance and Evaluation Report (CAPER);

19 c. While held by CITY, the real property or the constructed facility is to be used  
20 exclusively for the purposes for which acquisition or construction was originally approved by  
21 COUNTY;

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

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

28 (1) If CITY desires to retain title, CITY will reimburse COUNTY the



1 amount that represents the percentage of current fair market value that is identical to the percentage  
2 that CDBG funds initially comprised of monies paid to acquire the property or construct the facility;  
3 or

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

9 28. ENTIRE AGREEMENT. This Agreement, including any attachments or exhibits  
10 hereto constitutes the entire Agreement of the parties with respect to its subject matter and supersedes  
11 all prior and contemporaneous representations, proposals, discussions and communications, whether  
12 oral or in writing. No oral understanding or agreement not incorporated herein shall be binding on  
13 any of the parties hereto. Each of the attachments and exhibits attached hereto is incorporated herein  
14 by this reference.

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

18 30. EMPLOYMENT OPPORTUNITIES TO BE CAUSED BY PROJECT. CITY agrees  
19 to, and will require any lessee or assignee to notify Riverside County Workforce Development  
20 Center of any and all job openings that are caused by this project.

21 31. MINISTERIAL ACTS. The COUNTY's Director of the Department of Housing and  
22 Workforce Solutions, or designee(s), are authorized to take such ministerial actions as may be  
23 necessary or appropriate to implement the terms, provisions, and conditions of this Agreement as it  
24 may be amended from time to time by COUNTY.

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

1           33.    SOURCE OF FUNDING. CITY acknowledges that the source of funding pursuant  
2 to this Agreement is a Community Development Block Grant (CFDA 14.218), and the Grant Award  
3 Number is B-23-UC-06-0506

4           34    ASSIGNMENT. The CITY will not make any assignment or transfer in any other form  
5 with respect to this Agreement, without prior written approval of the COUNTY.

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

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

17           37.    JURISDICTION AND VENUE. Any action at law or in equity arising under this  
18 Agreement or brought by a party hereto for the purpose of enforcing, construing or determining the  
19 validity of any provision of this Agreement shall be filed only in the Superior Court of the State of  
20 California, located in Riverside, California, and the parties hereto waive all provisions of law  
21 providing for the filing, removal or change of venue to any other court or jurisdiction

22           38.    AUTHORITY TO EXECUTE. The persons executing this Agreement or exhibits  
23 attached hereto on behalf of the parties to this Agreement hereby warrant and represent that they  
24 have the authority to execute this Agreement and warrant and represent that they have the authority  
25 to bind the respective parties to this Agreement to the performance of its obligations hereunder.

26           39.    RESERVED .

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

1 the same agreement.

2 41. FORCE MAJEURE.

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

11 b. An extension of time for any such cause (a "Force Majeure Delay") shall be for the  
12 period of the enforced delay and shall commence to run from the time of the commencement of the  
13 cause, if notice by the party claiming such extension is sent to the other party within thirty (30)  
14 calendar days of knowledge of the commencement of the cause. Notwithstanding the foregoing,  
15 none of the foregoing events shall constitute a Force Majeure Delay unless and until the party  
16 claiming such delay and interference delivers to the other party written notice describing the event,  
17 its cause, when and how such party obtained knowledge, the date the event commenced, and the  
18 estimated delay resulting therefrom. Any party claiming a Force Majeure Delay shall deliver such  
19 written notice within thirty (30) calendar days after it obtains knowledge of the event.

20 42. BINDING ON SUCCESSORS. CITY, its heirs, assigns and successors in interest,  
21 shall be bound by all the provisions contained in this Agreement, and all of the parties thereto shall  
22 be jointly and severally liable hereunder.

23 43. MODIFICATION OF AGREEMENT. This Agreement may be modified or amended  
24 only by a writing signed by the duly authorized and empowered representatives of COUNTY and  
25 CITY, respectively.

26 44. DIGITAL AND ELECTRONIC SIGNATURES. The parties agree to the use of electronic  
27 signatures, such as digital signatures that meet the requirements of the California Uniform Electronic  
28 Transactions Act ("CUETA") Cal. Civ. Code §§ 1633.1 to 1633.17). The parties further agree that

1 the electronic signatures of the parties included in this Agreement are intended to authenticate this  
2 writing and to have the same force and effect as manual signatures. Electronic signature means an  
3 electronic sound, symbol, or process attached to or logically associated with an electronic record and  
4 executed or adopted by a person with the intent to sign the electronic record pursuant to CUETA as  
5 amended from time to time. Digital signature means an electronic identifier, created by computer,  
6 intended by the party using it to have the same force and effect as the use of a manual signature, and  
7 shall be reasonably relied upon by the parties. For purposes of this section, a digital signature is a type  
8 of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code.

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

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COUNTY OF RIVERSIDE,  
a political subdivision of the  
State of California

CITY OF MURRIETA,  
a General law City

BY: *Chuck Washington*  
Chuck Washington,  
Board of Supervisors, Chair

BY: *Justin Clifton*  
Name: Kim Summers Justin Clifton  
Title: City Manager Assistant City Manager

Date: 10/29/2024

Date: October 16, 2024

ATTEST: Kimberly A. Rector, Clerk

BY: *Mary J.*  
Deputy



APPROVED AS TO FORM:

ATTEST:

MINH C. TRAN

COUNTY COUNSEL

By: *Paula S. Salcido*  
Paula S. Salcido,  
Deputy County Counsel

BY: *Cristal McDonald*  
City Clerk  
Cristal McDonald

APPROVED AS TO FORM:

BY: *Tiffany Israel*  
City Attorney  
Tiffany Israel

OCT 29 2024

3.16




## Certificate Of Completion

Envelope Id: A3A2E8D5C1C046E791AA1C0ED3F9A854	Status: Completed
Subject: Complete with DocuSign: CDBG Amendment for Funding.pdf	
Source Envelope:	
Document Pages: 46	Signatures: 2
Certificate Pages: 2	Initials: 0
AutoNav: Enabled	Envelope Originator:
EnvelopeID Stamping: Enabled	Rachel Guerrero
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	1 Town Sq
	Murieta, CA 92562
	RGuerrero@MurrietaCA.gov
	IP Address: 216.70.240.130

## Record Tracking

Status: Original	Holder: Rachel Guerrero	Location: DocuSign
10/16/2024 2:11:27 PM	RGuerrero@MurrietaCA.gov	
Security Appliance Status: Connected	Pool: StateLocal	
Storage Appliance Status: Connected	Pool: Carahsoft OBO City of Murrieta	Location: DocuSign

## Signer Events

Signer Events	Signature	Timestamp
Rosa Vega rvega@murrietaca.gov Carahsoft OBO City of Murrieta Security Level: Email, Account Authentication (None)	 Signature Adoption: Uploaded Signature Image Using IP Address: 216.70.240.130	Sent: 10/16/2024 2:17:05 PM Viewed: 10/16/2024 2:25:19 PM Signed: 10/16/2024 2:25:23 PM

### Electronic Record and Signature Disclosure:

Not Offered via DocuSign

Justin Clifton jclifton@murrietaca.gov Assistant City Manager City of Murrieta Security Level: Email, Account Authentication (None)	 Signature Adoption: Pre-selected Style Using IP Address: 216.70.240.130	Sent: 10/16/2024 2:25:25 PM Viewed: 10/16/2024 4:37:34 PM Signed: 10/16/2024 4:38:11 PM
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### Electronic Record and Signature Disclosure:

Not Offered via DocuSign

In Person Signer Events	Signature	Timestamp
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Editor Delivery Events	Status	Timestamp
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Agent Delivery Events	Status	Timestamp
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Intermediary Delivery Events	Status	Timestamp
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Certified Delivery Events	Status	Timestamp
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Carbon Copy Events	Status	Timestamp
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Isaac Bravo ibravo@murrietaca.gov Security Level: Email, Account Authentication (None)	<b>COPIED</b>	Sent: 10/16/2024 4:38:12 PM Viewed: 10/16/2024 4:40:05 PM
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### Electronic Record and Signature Disclosure:

Not Offered via DocuSign

Witness Events	Signature	Timestamp
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<b>Notary Events</b>	<b>Signature</b>	<b>Timestamp</b>
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<b>Envelope Summary Events</b>	<b>Status</b>	<b>Timestamps</b>
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Envelope Sent	Hashed/Encrypted	10/16/2024 2:17:05 PM
Certified Delivered	Security Checked	10/16/2024 4:37:34 PM
Signing Complete	Security Checked	10/16/2024 4:38:11 PM
Completed	Security Checked	10/16/2024 4:38:12 PM

<b>Payment Events</b>	<b>Status</b>	<b>Timestamps</b>
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**Certificate Of Completion**

Envelope Id: 2C577B010D1946E2AAC9955B4EF5278E	Status: Completed
Subject: Complete with DocuSign: Complete_with_Docusign_CDBG_Amendment_for_Fu.pdf	
Source Envelope:	
Document Pages: 46	Signatures: 4
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Stamps: 1
Envelope Stamping: Enabled	Envelope Originator:
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	Rachel Guerrero
	1 Town Sq
	Murieta, CA 92562
	RGuerrero@MurrietaCA.gov
	IP Address: 216.70.240.130

**Record Tracking**

Status: Original	Holder: Rachel Guerrero	Location: DocuSign
10/17/2024 8:21:37 AM	RGuerrero@MurrietaCA.gov	
Security Appliance Status: Connected	Pool: StateLocal	
Storage Appliance Status: Connected	Pool: Carahsoft OBO City of Murrieta	Location: DocuSign

**Signer Events**

Tiffany Israel  
tisrael@awattorneys.com  
Managing Partner  
Security Level: Email, Account Authentication (None)

**Signature**

*Tiffany Israel*  
Signature Adoption: Pre-selected Style  
Using IP Address: 174.195.197.91  
Signed using mobile

**Timestamp**

Sent: 10/17/2024 8:23:47 AM  
Viewed: 10/17/2024 9:10:15 AM  
Signed: 10/18/2024 8:00:18 AM

**Electronic Record and Signature Disclosure:**  
Accepted: 10/17/2024 9:10:15 AM  
ID: d927762f-1793-4bfd-967b-e23f9360600b

Cristal McDonald  
cmcdonald@murrietaca.gov  
City Clerk  
City of Murrieta  
Security Level: Email, Account Authentication (None)



Sent: 10/18/2024 8:00:20 AM  
Resent: 10/21/2024 5:23:40 PM  
Viewed: 10/21/2024 5:24:15 PM  
Signed: 10/21/2024 5:34:41 PM

Signature Adoption: Uploaded Signature Image  
Using IP Address: 97.131.1.13

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

**In Person Signer Events**

**Signature**

**Timestamp**

**Editor Delivery Events**

**Status**

**Timestamp**

Rachel Guerrero  
rguerrero@murrietaca.gov  
Executive Assistant, Economic Development  
City of Murrieta  
Security Level: Email, Account Authentication (None)

**VIEWED**  
Using IP Address: 216.70.240.130

Sent: 10/21/2024 5:23:39 PM  
Viewed: 10/21/2024 5:24:13 PM  
Completed: 10/21/2024 5:23:38 PM  
Freeform Signing

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

**Agent Delivery Events**

**Status**

**Timestamp**

**Intermediary Delivery Events**

**Status**

**Timestamp**



Certified Delivery Events	Status	Timestamp
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Carbon Copy Events	Status	Timestamp
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Kimberly Ramirez kramirez@murrietaca.gov Deputy City Clerk City of Murrieta Security Level: Email, Account Authentication (None) <b>Electronic Record and Signature Disclosure:</b> Accepted: 1/20/2022 3:45:14 PM ID: 87568137-6376-454c-acef-73031968557a	<b>COPIED</b>	Sent: 10/21/2024 5:23:40 PM
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Isaac Bravo ibravo@murrietaca.gov Security Level: Email, Account Authentication (None) <b>Electronic Record and Signature Disclosure:</b> Not Offered via DocuSign	<b>COPIED</b>	Sent: 10/21/2024 5:34:43 PM Viewed: 10/21/2024 5:53:36 PM
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Witness Events	Signature	Timestamp
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
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Envelope Sent	Hashed/Encrypted	10/17/2024 8:23:47 AM
Envelope Updated	Security Checked	10/21/2024 5:23:38 PM
Envelope Updated	Security Checked	10/21/2024 5:23:38 PM
Envelope Updated	Security Checked	10/21/2024 5:23:38 PM
Envelope Updated	Security Checked	10/21/2024 5:29:57 PM
Certified Delivered	Security Checked	10/21/2024 5:24:15 PM
Signing Complete	Security Checked	10/21/2024 5:34:41 PM
Completed	Security Checked	10/21/2024 5:34:43 PM

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure
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## **ELECTRONIC RECORD AND SIGNATURE DISCLOSURE**

From time to time, Carahsoft OBO City of Murrieta (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

### **Getting paper copies**

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

### **Withdrawing your consent**

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

### **All notices and disclosures will be sent to you electronically**



Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

**How to contact Carahsoft OBO City of Murrieta:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: [cellis@murrietaca.gov](mailto:cellis@murrietaca.gov)

**To advise Carahsoft OBO City of Murrieta of your new email address**

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at [cellis@murrietaca.gov](mailto:cellis@murrietaca.gov) and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

**To request paper copies from Carahsoft OBO City of Murrieta**

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to [cellis@murrietaca.gov](mailto:cellis@murrietaca.gov) and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

**To withdraw your consent with Carahsoft OBO City of Murrieta**

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to [cellis@murrietaca.gov](mailto:cellis@murrietaca.gov) and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

### **Required hardware and software**

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

### **Acknowledging your access and consent to receive and sign documents electronically**

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify Carahsoft OBO City of Murrieta as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by Carahsoft OBO City of Murrieta during the course of your relationship with Carahsoft OBO City of Murrieta.

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

**I. GENERAL INFORMATION**

CITY NAME: City of Murrieta UEI #: CP6AE8VFMVR6

ADDRESS: 1 Town Square  
Murrieta, CA 92562

PROGRAM CONTACTS: Kristen Crane, Assistant City Manager

PHONE: 951-464-6010 FAX: \_\_\_\_\_

E-MAIL: kcrane@murrietaca.gov

PROJECT NAME: Pedestrian Safety Enhancement Project

PROJECT LOCATION: Various Locations within the City

LEVEL OF ENVIRONMENTAL CLEARANCE: Categorically excluded subject §58.35(a)

CDBG ELIGIBILITY CODE: 570.201 (c)

PROJECT FUNDING SUMMARY: **\$788,298**

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

**II. SCOPE OF SERVICE**

**A. Activities**

City will be responsible for administering a **2023-2024** Community Development Block Grant for the **Pedestrian Safety Enhancement 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 *CDBG funds will be used to enhance pedestrian safety by installing new and upgrading existing pedestrian facility ramps to remove architectural barriers and meet ADA requirements throughout the city. Eligible costs will include design, construction, compliance monitoring, and project management.*

**B. National Objective**

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

National Objective Criteria: 570.208 (a)(2)(i)(A)

CFR Reference: Low Mod Limited Clientele Presumed

**C. Levels of Accomplishment – Goals and Performance Measures**

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

Activity #1 *construct sidewalks, curbs, and street improvements*

Activity #2 *project management, compliance, design, and construction costs.*

**CPD OUTCOME PERFORMANCE MEASUREMENT**

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

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

**D. City Capacity**

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

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

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

**E. Performance Monitoring**

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

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

**F. Program Budget**

It is expressly agreed and understood that the total amount to be paid by the County under this Agreement shall not exceed **\$788,298** 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 City shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the County. Any amendments to the budget must be approved in writing by both the County and City.

<b>Line Item</b>	<b>CDBG Granted Funds</b>	<b>Total of Non-CDBG Funds</b>	<b>Total Activity/Project Budget</b>	<b>Notes</b>
Design/Engineering Costs	\$13,500		\$470,891	
Project Administration Costs/Salaries	\$10,000	\$50,000		
Construction Costs	\$764,798			
Acquisition Costs				
Relocations Costs				
Capital Equipment Costs				
Code Enforcement				
Clearance				
Interim Assistance				
Indirect Costs:				
<b>TOTAL CDBG BUDGET</b>	<b>\$788,298</b>	<b>\$50,000</b>	<b>\$838,298</b>	



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

TYPE	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	TOTAL	
FEDERAL								
STATE/LOCAL	Gas Tax	\$50,000					\$50,000	
PRIVATE								
OTHER								
<b>TOTAL:</b>							<b>\$50,000</b>	

**III. ADMINISTRATIVE REQUIREMENTS**

**A. Accounting Standards**

The City 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 City 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.

**2. Records Retention**

The City shall retain all CDBG-related financial records, supporting documents, contracts, and agreements 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 for the final time. The City will retain all National Objective documentation, including low-moderate income certification, ethnicity, and other pertinent data for a period of four (4) years after submission of the County's annual performance and evaluation report to HUD. 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.

3. Client Data

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

4. Disclosure

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

5. Close-outs

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

6. Audits & Inspections

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

**IV. PROJECT IMPLEMENTATION AND SCHEDULE**

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

<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Complete CDBG Training	September 2023	September 2023
Implement Project Activities	Upon Notification from HWS	
Execute Amended and Restated Supplemental Agreement & Notice to Incur Cost	October 2024	November 2024

<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Submit Quarterly Performance Reports to County	October 2024	Through June 30, 2026
County Monitoring of City Program/Performance	To be determined by Program Manager	

**Specific Project Activities:**

1. City executes Supplemental Agreement; receives Authorization to Incur Cost letter
2. City prepares final construction documents (incorporating Special Federal Provisions) for HWS review and approval
3. HWS authorizes City to advertise for bids
4. HWS reviews and approves bidding process
5. City awards construction contract
6. City and HWS conduct “pre-construction meeting”
7. HWS authorizes City to issue “Notice to Proceed”

City Submits Reimbursement Requests

Monthly Submittal   
Other Schedule

To be determined by Program Manager

CDBG-funded Project Complete

**June 30, 2026**

**V. SPECIAL CONDITIONS /PERFORMANCE REQUIREMENTS**

The City must follow proper procurement and construction policies and procedures of the City and CDBG regulations. Construction shall commence using CDBG funding with a Notice to Proceed. A pre-construction meeting is required. The City must contact the CDBG Program Manager for review before submitting RFP, construction activity, or cost without prior written approval. The County must be contacted 10 (ten) days in advance for attendance of the Pre-Construction meeting. Original signed Certified payrolls are to be submitted on a weekly basis to the HWS-CDBG program manager once construction starts.

## EXHIBIT "R"

### 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," and further amended by Executive Order 13831 (issued on May 3, 2018, 83 FR 20715) entitled "Establishment of a White House Faith and Opportunity Initiative," 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 toward religion meaning that it is available to providers without regard to the religious or non-religious nature of the institution and there are no program incentives that deliberately skew for or against religious or secular providers; and the organization receives the assistance as a result of a genuine, independent choice of the beneficiary.

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 any HUD program or activity, considering any permissible accommodations, particularly under the Religious Freedom Restoration Act. 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, affiliation, or lack thereof, or on the basis of the organization's religious exercise. For purposes of this part, to discriminate against an organization on the basis of the organization's religious exercise means to disfavor an organization, including by failing to select an organization, disqualifying an organization, or imposing any condition or selection criterion that otherwise disfavors or penalizes an organization in the selection process or has such an effect:

- (1) Because of conduct that would not be considered grounds to disfavor a secular organization;
- (2) Because of conduct that must or could be granted an appropriate accommodation in a manner consistent with RFRA (42 U.S.C. 2000bb through 2000bb-4) or the Religion Clauses of the First Amendment to the Constitution; or
- (3) Because of the actual or suspected religious motivation of the organization's religious exercise.
- (4) 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 organization's religious character, affiliation, or lack thereof, or based on the organization's religious exercise. Notices of funding availability, grant agreements, and cooperative agreements shall include language substantially similar to that in appendix A to this subpart, where faith-based organizations are eligible for such opportunities.

(d) Independence and identity of faith-based organizations.

(1) A faith-based organization that applies for, or participates in, a HUD program or activity supported with Federal financial assistance retains its autonomy, right of expression, religious character, authority over its governance, and independence, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs. A faith-based organization that receives Federal financial assistance from HUD does not lose the protections of 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 concealing, altering, or 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 and employees on the basis of their acceptance of or adherence to the religious tenets of the organization consistent with paragraph (i) of this section), and include religious references in its organization's mission statements and other governing documents.

(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. The use of indirect Federal financial assistance is not subject to this restriction. Nothing in this part restricts HUD's authority under applicable Federal law to fund activities, that can be directly funded by the Government consistent with the Establishment Clause of the U.S. Constitution.

(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) Nondiscrimination requirements.

Any organization that receives Federal financial assistance under a HUD program or activity shall not, in providing services with such assistance 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, an organization that participates in a program funded by indirect Federal financial assistance need not modify its program or activities to accommodate a beneficiary who chooses to expend the indirect aid on the organization's program and may require attendance at all activities that are fundamental to the program.

(h) No additional assurances from faith-based organizations.

A faith-based organization is not rendered ineligible by its religious nature to access and participate in HUD programs. Absent regulatory or statutory authority, no notice of funding availability, grant agreement, cooperative agreement, covenant, memorandum of understanding, policy, or regulation that is used by HUD or a recipient or intermediary in administering Federal financial assistance from HUD shall require otherwise eligible faith-based organizations to provide assurances or notices where they are not required of similarly situated secular organizations. All organizations that participate in HUD programs or activities, including organizations with religious character or affiliations, must carry out eligible activities in accordance with all program requirements, subject to any required or appropriate accommodation, particularly under the Religious Freedom Restoration Act, and other applicable requirements governing the conduct of HUD-funded activities, including those prohibiting the use of direct financial assistance to engage in explicitly religious activities. No notice of funding availability, grant agreement, cooperative agreement, covenant, memorandum of understanding, policy, or regulation that is used by HUD or a recipient or intermediary in administering financial assistance from HUD shall disqualify otherwise eligible faith-based organizations from participating in HUD's programs or activities because such organization is motivated or influenced by religious faith to provide such programs and activities, or because of its religious character or affiliation, or on grounds that discriminate against an organization on the basis of the organization's religious exercise, as defined in this part.

(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 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.

(l) Tax exempt organizations.

In general, HUD does not require that a recipient, including a faith-based organization, obtain tax-exempt status under section 501(c)(3) of the Internal Revenue Code to be eligible for funding under HUD programs. Many grant programs, however, do require an organization to be a nonprofit organization in order to be eligible for funding. Notices of funding availability that require organizations to have nonprofit status will specifically so indicate in the eligibility section of the notice of funding availability. In addition, if any notice of funding availability requires an organization to maintain tax-exempt status, it will expressly state the statutory authority for requiring such status. Applicants should consult with the appropriate HUD program office to determine the scope of any applicable requirements. In HUD programs in which an applicant must show that it is a nonprofit organization but this is not statutorily defined, the applicant may do so by any of the following means:

- (1) Proof that the Internal Revenue Service currently recognizes the applicant as an organization to which contributions are tax deductible under section 501(c)(3) of the Internal Revenue Code;
- (2) A statement from a State or other governmental taxing body or the State secretary of State certifying that -
  - (i) The organization is a nonprofit organization operating within the State; and
  - (ii) No part of its net earnings may benefit any private shareholder or individual;
- (3) A certified copy of the applicant's certificate of incorporation or similar document that clearly establishes the nonprofit status of the applicant;
- (4) Any item described in paragraphs (1)(1) through (3) of this section, if that item applies to a State of national parents organization, together with a statement by the State of parent organization that the applicant is a local nonprofit affiliate; or
- (5) For an entity that holds a sincerely held religious belief that it cannot apply for a determination as an entity that is tax-exempt under section 501(c)(3) of the Internal Revenue Code, evidence sufficient to establish that the entity would otherwise qualify as a nonprofit organization under paragraphs (1)(1) through (4) of this section.

(m) Rule of construction.

Neither HUD nor any recipient or other intermediary receiving funds under any HUD program or activity shall construe these provisions in such a way as to advantage or disadvantage faith-based organizations affiliated with historic or well-established religions or sects in comparison with other religions or sects.

**Credits**

[69 FR 41717, July 9, 2004; 80 FR 75934, Dec. 7, 2015; 81 FR 19416, April 4, 2016; 85 FR 82315, Dec 17, 2020]

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"**

**Economic Opportunities for Low- and Very Low-Income Persons  
CONTRACT REQUIREMENTS  
24 CFR Part 75**

**RIVERSIDE COUNTY**

**Section 75.1 Purpose**

This part establishes the requirements to be followed to ensure the objectives of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section 3) are met. The purpose of Section 3 is to ensure that economic opportunities, most importantly employment, generated by certain HUD financial assistance shall be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing or residents of the community in which the Federal assistance is spent.

**Section 75.3 Applicability**

(a) General applicability. Section 3 applies to public housing financial assistance and Section 3 projects, as follows:

(1) Public housing financial assistance. Public housing financial assistance means:

(i) Development assistance provided pursuant to section 5 of the United States Housing Act of 1937 (the 1937 Act);

(ii) Operations and management assistance provided pursuant to section 9(e) of the 1937 Act;

(iii) Development, modernization, and management assistance provided pursuant to section 9(d) of the 1937 Act; and

(iv) The entirety of a mixed-finance development project as described in 24 CFR 905.604, regardless of whether the project is fully or partially assisted with public housing financial assistance as defined in paragraphs (a)(1)(i) through (iii) of this section.

(2) Section 3 projects. (i) Section 3 projects means housing rehabilitation, housing construction, and other public construction projects assisted under HUD programs that provide housing and community development financial assistance when the total amount of assistance to the project exceeds a threshold of \$200,000. The threshold is \$100,000 where the assistance is from the Lead Hazard Control and Healthy Homes programs, as authorized by Sections 501 or 502 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1 or 1701z-2), the Lead-Based Paint Poisoning Prevention Act (42 U.S.C 4801 et seq.); and the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 et seq.). The project is the site or sites together with any building(s) and improvements located on the site(s) that are under common ownership, management, and financing.

(ii) The Secretary must update the thresholds provided in paragraph (a)(2)(i) of this section not less than once every 5 years based on a national construction cost inflation factor through Federal Register notice not subject to public comment. When the Secretary finds it is warranted to ensure compliance with Section 3, the Secretary may adjust, regardless of the national construction cost factor, such thresholds through Federal Register notice, subject to public comment.

(iii) The requirements in this part apply to an entire Section 3 project, regardless of whether the project is fully or partially assisted under HUD programs that provide housing and community development financial assistance.

(b) Contracts for materials. Section 3 requirements do not apply to material supply contracts.

(c) Indian and Tribal preferences. Contracts, subcontracts, grants, or subgrants subject to Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5307(b)) or subject to tribal preference requirements as authorized under 101(k) of the Native American Housing Assistance and Self-Determination Act (25 U.S.C. 4111(k)) must provide preferences in employment, training, and business opportunities to Indians and Indian organizations, and are therefore not subject to the requirements of this part.

(d) Other HUD assistance and other Federal assistance. Recipients that are not subject to Section 3 are encouraged to consider ways to support the purpose of Section 3.

#### **Section 75. 5 Definitions.**

The terms HUD, Public housing, and Public Housing Agency (PHA) are defined in 24 CFR part 5. The following definitions also apply to this part:

**1937 Act** means the United States Housing Act of 1937, 42 U.S.C. 1437 et seq.

**Contractor** means any entity entering into a contract with:

- (1) A recipient to perform work in connection with the expenditure of public housing financial assistance or for work in connection with a Section 3 project; or
- (2) A subrecipient for work in connection with a Section 3 project.

**Labor hours** means the number of paid hours worked by persons on a Section 3 project or by persons employed with funds that include public housing financial assistance.

**Low-income person** means a person as defined in Section 3(b)(2) of the 1937 Act.

**Material supply contracts** means contracts for the purchase of products and materials, including, but not limited to, lumber, drywall, wiring, concrete, pipes, toilets, sinks, carpets, and office supplies.

**Professional services** means non-construction services that require an advanced degree or professional licensing, including, but not limited to, contracts for legal services, financial



consulting, accounting services, environmental assessment, architectural services, and civil engineering services.

**Public housing financial assistance** means assistance as defined in §75.3(a)(1).

**Public housing project** is defined in 24 CFR 905.108.

**Recipient** means any entity that receives directly from HUD public housing financial assistance or housing and community development assistance that funds Section 3 projects, including, but not limited to, any State, local government, instrumentality, PHA, or other public agency, public or private nonprofit organization.

**Section 3** means Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

**Section 3 business concern** means:

(1) A business concern meeting at least one of the following criteria, documented within the last six-month period:

(i) It is at least 51 percent owned and controlled by low- or very low-income persons;

(ii) Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or

(iii) It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

(2) The status of a Section 3 business concern shall not be negatively affected by a prior arrest or conviction of its owner(s) or employees.

(3) Nothing in this part shall be construed to require the contracting or subcontracting of a Section 3 business concern. Section 3 business concerns are not exempt from meeting the specifications of the contract.

**Section 3 project** means a project defined in §75.3(a)(2).

**Section 3 worker** means:

(1) Any worker who currently fits or when hired within the past five years fit at least one of the following categories, as documented:

(i) The worker's income for the previous or annualized calendar year is below the income limit established by HUD.

(ii) The worker is employed by a Section 3 business concern.

(iii) The worker is a YouthBuild participant.

(2) The status of a Section 3 worker shall not be negatively affected by a prior arrest or conviction.

(3) Nothing in this part shall be construed to require the employment of someone who meets this definition of a Section 3 worker. Section 3 workers are not exempt from meeting the qualifications of the position to be filled.

**Section 8-assisted housing** refers to housing receiving project-based rental assistance or tenant-based assistance under Section 8 of the 1937 Act.

**Service area or the neighborhood of the project** means an area within one mile of the Section 3 project or, if fewer than 5,000 people live within one mile of a Section 3 project, within a circle centered on the Section 3 project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census.

**Small PHA** means a public housing authority that manages or operates fewer than 250 public housing units.

**Subcontractor** means any entity that has a contract with a contractor to undertake a portion of the contractor's obligation to perform work in connection with the expenditure of public housing financial assistance or for a Section 3 project.

**Subrecipient** has the meaning provided in the applicable program regulations or in 2 CFR 200.93.

**Targeted Section 3 worker** has the meanings provided in §§75.11, 75.21, or 75.29, and does not exclude an individual that has a prior arrest or conviction.

**Very low-income person** means the definition for this term set forth in section 3(b)(2) of the 1937 Act.

**YouthBuild programs** refers to YouthBuild programs receiving assistance under the Workforce Innovation and Opportunity Act (29 U.S.C. 3226).

## **Subpart C—Additional Provisions for Housing and Community Development Financial Assistance**

### **§75.19 Requirements.**

(a) *Employment and training.* (1) To the greatest extent feasible, and consistent with existing Federal, state, and local laws and regulations, recipients covered by this subpart shall ensure that employment and training opportunities arising in connection with Section 3 projects are provided to Section 3 workers within the metropolitan area (or nonmetropolitan county) in which the project is located.

(2) Where feasible, priority for opportunities and training described in paragraph (a)(1) of this section should be given to:

- (i) Section 3 workers residing within the service area or the neighborhood of the project, and
- (ii) Participants in YouthBuild programs.

(b) *Contracting.* (1) To the greatest extent feasible, and consistent with existing Federal, state, and local laws and regulations, recipients covered by this subpart shall ensure contracts for work awarded in connection with Section 3 projects are provided to business concerns that provide economic opportunities to Section 3 workers residing within the metropolitan area (or nonmetropolitan county) in which the project is located.

(2) Where feasible, priority for contracting opportunities described in paragraph (b)(1) of this section should be given to:

- (i) Section 3 business concerns that provide economic opportunities to Section 3 workers residing within the service area or the neighborhood of the project, and
- (ii) YouthBuild programs.

**§75.21 Targeted Section 3 worker for housing and community development financial assistance.**

(a) *Targeted Section 3 worker.* A Targeted Section 3 worker for housing and community development financial assistance means a Section 3 worker who is:

- (1) A worker employed by a Section 3 business concern; or
- (2) A worker who currently fits or when hired fit at least one of the following categories, as documented within the past five years:
  - (i) Living within the service area or the neighborhood of the project, as defined in §75.5; or
  - (ii) A YouthBuild participant.
- (b) [Reserved]

**§75.23 Section 3 safe harbor.**

(a) *General.* Recipients will be considered to have complied with requirements in this part, in the absence of evidence to the contrary if they:

- (1) Certify that they have followed the prioritization of effort in §75.19; and
- (2) Meet or exceed the applicable Section 3 benchmark as described in paragraph (b) of this section.

(b) *Establishing benchmarks.* (1) HUD will establish Section 3 benchmarks for Section 3 workers or Targeted Section 3 workers or both through a document published in the FEDERAL REGISTER. HUD may establish a single nationwide benchmark for Section 3 workers and a single nationwide

benchmark for Targeted Section 3 workers, or may establish multiple benchmarks based on geography, the nature of the Section 3 project, or other variables. HUD will update the benchmarks through a document published in the FEDERAL REGISTER, subject to public comment, not less frequently than once every 3 years. Such notice shall include aggregate data on labor hours and the proportion of recipients meeting benchmarks, as well as other metrics reported pursuant to §75.25 as deemed appropriate by HUD, for the 3 most recent reporting years.

(2) In establishing the Section 3 benchmarks, HUD may consider the industry averages for labor hours worked by specific categories of workers or in different localities or regions; averages for labor hours worked by Section 3 workers and Targeted Section 3 workers as reported by recipients pursuant to this section; and any other factors HUD deems important. In establishing the Section 3 benchmarks, HUD will exclude professional services from the total number of labor hours as such hours are excluded from the total number of labor hours to be reported per §75.25(a)(4).

(3) Section 3 benchmarks will consist of the following two ratios:

(i) The number of labor hours worked by Section 3 workers divided by the total number of labor hours worked by all workers on a Section 3 project in the recipient's program year.

(ii) The number of labor hours worked by Targeted Section 3 workers as defined in §75.21(a), divided by the total number of labor hours worked by all workers on a Section 3 project in the recipient's program year.

#### **§75.25 Reporting.**

(a) *Reporting of labor hours.* (1) For Section 3 projects, recipients must report in a manner prescribed by HUD:

(i) The total number of labor hours worked;

(ii) The total number of labor hours worked by Section 3 workers; and

(iii) The total number of labor hours worked by Targeted Section 3 workers.

(2) Section 3 workers' and Targeted Section 3 workers' labor hours may be counted for five years from when their status as a Section 3 worker or Targeted Section 3 worker is established pursuant to §75.31.

(3) The labor hours reported under paragraph (a)(1) of this section must include the total number of labor hours worked on a Section 3 project, including labor hours worked by any subrecipients, contractors and subcontractors that the recipient is required, or elects pursuant to paragraph (a)(4) of this section, to report.

(4) Recipients reporting under this section, as well as subrecipients, contractors and subcontractors who report to recipients, may report labor hours by Section 3 workers, under paragraph (a)(1)(ii) of this section, and labor hours by Targeted Section 3 workers, under paragraph (a)(1)(iii) of this section, from professional services without including labor hours from professional services in the

total number of labor hours worked under paragraph (a)(1)(i) of this section. If a contract covers both professional services and other work and the recipient or contractor or subcontractor chooses not to report labor hours from professional services, the labor hours under the contract that are not from professional services must still be reported.

(5) Recipients may report their own labor hours or that of a subrecipient, contractor, or subcontractor based on the employer's good faith assessment of the labor hours of a full-time or part-time employee informed by the employer's existing salary or time and attendance based payroll systems, unless the project or activity is otherwise subject to requirements specifying time and attendance reporting.

(b) *Additional reporting if Section 3 benchmarks are not met.* If the recipient's reporting under paragraph (a) of this section indicates that the recipient has not met the Section 3 benchmarks described in §75.23, the recipient must report in a form prescribed by HUD on the qualitative nature of its activities and those its contractors and subcontractors pursued. Such qualitative efforts may, for example, include but are not limited to the following:

- (1) Engaged in outreach efforts to generate job applicants who are Targeted Section 3 workers.
- (2) Provided training or apprenticeship opportunities.
- (3) Provided technical assistance to help Section 3 workers compete for jobs (*e.g.*, resume assistance, coaching).
- (4) Provided or connected Section 3 workers with assistance in seeking employment including: drafting resumes, preparing for interviews, and finding job opportunities connecting residents to job placement services.
- (5) Held one or more job fairs.
- (6) Provided or referred Section 3 workers to services supporting work readiness and retention (*e.g.*, work readiness activities, interview clothing, test fees, transportation, child care).
- (7) Provided assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.
- (8) Assisted Section 3 workers to obtain financial literacy training and/or coaching.
- (9) Engaged in outreach efforts to identify and secure bids from Section 3 business concerns.
- (10) Provided technical assistance to help Section 3 business concerns understand and bid on contracts.
- (11) Divided contracts into smaller jobs to facilitate participation by Section 3 business concerns.
- (12) Provided bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.



(13) Promoted use of business registries designed to create opportunities for disadvantaged and small businesses.

(14) Outreach, engagement, or referrals with the state one-stop system as defined in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.

(c) *Reporting frequency.* Unless otherwise provided, recipients must report annually to HUD under paragraph (a) of this section, and, where required, under paragraph (b) of this section, on all projects completed within the reporting year in a manner consistent with reporting requirements for the applicable HUD program.

#### **§75.27 Contract provisions.**

(a) Recipients must include language applying Section 3 requirements in any subrecipient agreement or contract for a Section 3 project.

(b) Recipients of Section 3 funding must require subrecipients, contractors, and subcontractors to meet the requirements of §75.19, regardless of whether Section 3 language is included in recipient or subrecipient agreements, program regulatory agreements, or contracts.

### **Subpart D—Provisions for Multiple Funding Sources, Recordkeeping, and Compliance**

#### **§75.29 Multiple funding sources.**

(a) If a housing rehabilitation, housing construction or other public construction project is subject to Section 3 pursuant to §75.3(a)(1) and (2), the recipient must follow subpart B of this part for the public housing financial assistance and may follow either subpart B or C of this part for the housing and community development financial assistance. For such a project, the following applies:

(1) For housing and community development financial assistance, a Targeted Section 3 worker is any worker who meets the definition of a Targeted Section 3 worker in either subpart B or C of this part; and

(2) The recipients of both sources of funding shall report on the housing rehabilitation, housing construction, or other public construction project as a whole and shall identify the multiple associated recipients. PHAs and other recipients must report the following information:

(i) The total number of labor hours worked on the project;

(ii) The total number of labor hours worked by Section 3 workers on the project; and

(iii) The total number of labor hours worked by Targeted Section 3 workers on the project.

(b) If a housing rehabilitation, housing construction, or other public construction project is subject to Section 3 because the project is assisted with funding from multiple sources of housing and community development assistance that exceed the thresholds in §75.3(a)(2), the recipient or recipients

must follow subpart C of this part, and must report to the applicable HUD program office, as prescribed by HUD.

**§75.31 Recordkeeping.**

(a) HUD shall have access to all records, reports, and other documents or items of the recipient that are maintained to demonstrate compliance with the requirements of this part, or that are maintained in accordance with the regulations governing the specific HUD program by which the Section 3 project is governed, or the public housing financial assistance is provided or otherwise made available to the recipient, subrecipient, contractor, or subcontractor.

(b) Recipients must maintain documentation, or ensure that a subrecipient, contractor, or subcontractor that employs the worker maintains documentation, to ensure that workers meet the definition of a Section 3 worker or Targeted Section 3 worker, at the time of hire or the first reporting period, as follows:

(1) For a worker to qualify as a Section 3 worker, one of the following must be maintained:

(i) A worker's self-certification that their income is below the income limit from the prior calendar year;

(ii) A worker's self-certification of participation in a means-tested program such as public housing or Section 8-assisted housing;

(iii) Certification from a PHA, or the owner or property manager of project-based Section 8-assisted housing, or the administrator of tenant-based Section 8-assisted housing that the worker is a participant in one of their programs;

(iv) An employer's certification that the worker's income from that employer is below the income limit when based on an employer's calculation of what the worker's wage rate would translate to if annualized on a full-time basis; or

(v) An employer's certification that the worker is employed by a Section 3 business concern.

(2) For a worker to qualify as a Targeted Section 3 worker, one of the following must be maintained:

(i) For a worker to qualify as a Targeted Section 3 worker under subpart B of this part:

(A) A worker's self-certification of participation in public housing or Section 8-assisted housing programs;

(B) Certification from a PHA, or the owner or property manager of project-based Section 8-assisted housing, or the administrator of tenant-based Section 8-assisted housing that the worker is a participant in one of their programs;

(C) An employer's certification that the worker is employed by a Section 3 business concern; or

(D) A worker's certification that the worker is a YouthBuild participant.

(ii) For a worker to qualify as a Targeted Section 3 worker under subpart C of this part:

(A) An employer's confirmation that a worker's residence is within one mile of the work site or, if fewer than 5,000 people live within one mile of a work site, within a circle centered on the work site that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census;

(B) An employer's certification that the worker is employed by a Section 3 business concern; or

(C) A worker's self-certification that the worker is a YouthBuild participant.

(c) The documentation described in paragraph (b) of this section must be maintained for the time period required for record retentions in accordance with applicable program regulations or, in the absence of applicable program regulations, in accordance with 2 CFR part 200.

(d) A PHA or recipient may report on Section 3 workers and Targeted Section 3 workers for five years from when their certification as a Section 3 worker or Targeted Section 3 worker is established.

### **§75.33 Compliance.**

(a) *Records of compliance.* Each recipient shall maintain adequate records demonstrating compliance with this part, consistent with other recordkeeping requirements in 2 CFR part 200.

(b) *Complaints.* Complaints alleging failure of compliance with this part may be reported to the HUD program office responsible for the public housing financial assistance or the Section 3 project, or to the local HUD field office.

(c) *Monitoring.* HUD will monitor compliance with the requirements of this part. The applicable HUD program office will determine appropriate methods by which to oversee Section 3 compliance. HUD may impose appropriate remedies and sanctions in accordance with the laws and regulations for the program under which the violation was found.

ATTACHMENT A

Project: 1.LE.84-22 - City Park Improvements Project  
Eligibility: 03F Public Facilities 570.201 (c)  
Sponsor: City of Lake Elsinore  
Address: 130 S. Main Street. Lake Elsinore, CA 92532

Funding: \$431,287

Project Description: The City of Lake Elsinore will utilize CDBG funds for improvements at City Park. Improvements include ADA-compliant sidewalks, parking lot improvements, security lighting, and other enhancements. CDBG funds will be used to pay for the design, construction, project management, compliance monitoring, inspection, and other related expenses.

Site Location: 243 S. Main Street, Lake Elsinore, CA 92530  
Benefit: 570.208 (a)(1)(1)  
Number Served: 2,750

## ATTACHMENT B

Project: Sandstone Apartments, Murrieta  
Eligibility: HOME Development of Permanent Supportive Housing  
Sponsor: County of Riverside - Housing and Workforce Solutions  
HWS Address: 3403 Tenth Street, Suite 300, Riverside, CA 92501

Funding: \$3,000,000

Project Description: Community Revitalization and Development Corporation is proposing to use \$3,000,000 in HOME funds for the development and construction of a 96-unit multi-family housing complex to expand the affordable housing stock for qualified low-income families in the city of Murrieta in the County of Riverside. The Project is located at 41-705 Hawthorn Street in the City of Murrieta on approximately 3.6 acres identified as Assessor's Parcel Numbers 909-020-052, 909-020-020 and 909-020-021. The project will provide a total of 96 apartment units that will consist of 18 one-bedroom units, 48 two-bedroom units, and 30 three-bedroom units with one (1) two-bedroom unit restricted as a manager's unit. The estimated total cost for the development is \$60,147,629.



ATTACHMENT C

Project: 3.MR.76-23 Pedestrian Safety Enhancement Project  
Eligibility: 03Z Public Facilities 570.201 (c)  
Sponsor: City of Murrieta  
Address: 1 Town Square, Murrieta, CA 92562

Funding: \$788,298

Project Description: The City of Murrieta will use CDBG funds to pay for costs associated with used to enhance pedestrian safety by installing new and upgrading existing pedestrian facility ramps to remove architectural barriers and meet ADA requirements throughout the city. Eligible costs will include design, construction, compliance monitoring, and project management.

Site Location: Various Locations within the City of Murrieta, CA 92562  
Benefit: 570.208 (a)(2)(i)(A)

## ATTACHMENT D

Project: Cambern Apartments, Lake Elsinore  
Eligibility: HOME Development of Permanent Supportive Housing  
Sponsor: County of Riverside - Housing and Workforce Solutions  
HWS Address: 3403 Tenth Street, Suite 300, Riverside, CA 92501

Funding: \$2,000,000

Project Description: Community HousingWorks is proposing to use \$2,000,000 in HOME funds for the development and construction of a 76-unit multi-family housing complex to expand the affordable housing stock for qualified low-income families in the city of Lake Elsinore in the County of Riverside. The Project is located at 29366 and 29377 3rd Street in the City of Lake Elsinore on approximately 4.2 acres land identified as Assessor's Parcel Numbers 377-100-03 and 377-380-003. The project will provide a total of 76 apartment units, (including one unrestricted manager's unit) that will consist of twenty-six (26) one-bedroom units, thirty (30) two-bedroom units, and twenty (20) three-bedroom units with one (1) two-bedroom unit restricted as a manager's unit. The estimated total cost for the development is \$48,514,340.

## ATTACHMENT E

Project: Villa Verde Apartments, Coachella  
Eligibility: HOME Development of Permanent Supportive Housing  
Sponsor: County of Riverside - Housing and Workforce Solutions  
HWS Address: 3403 Tenth Street, Suite 300, Riverside, CA 92501

Funding: \$4,000,000

Project Description: Abode Communities proposes the use of \$4,000,000 in HOME funds to develop and construct the Villa Verde Apartments, specifically supporting the first phase of the affordable multifamily low-income housing project (Proposed Project). The Proposed Project will be developed on 9.25 acres located at 84824 Calle Verde, in the City of Coachella, County of Riverside, State of California, identified as Assessor's Parcel Numbers 768-350-002 & 768-400-001 (Property). The Proposed Project will consist of 152 affordable units, 16 one-bedroom units, 68 two-bedroom units, and 68 three-bedroom units. 32 units will be restricted to households whose incomes do not exceed 30% of the area median income, 136 units will be restricted to individual households whose incomes do not exceed 40% of the area median income, 82 units will be restricted to households whose income do not exceed 50% of median income and 2 unrestricted manager units for the County of Riverside. The project includes 50 units of permanent supportive housing (family emphasis). Tenants will benefit from 171 covered parking spaces and Onsite property manager, resident services, and supportive services staff. Amenities include a community room with kitchen, five laundry rooms, five central patios, and play equipment. The project will be funded as a Hybrid Tax Credit project with total costs of \$68,455,865.

**Notice of Public Comment Period  
Substantial Amendment of the 2022-2023 and 2023-2024 One Year Action Plans  
of the 2019-2024 Five Year Consolidated Plan**

The County of Riverside hereby notifies concerned members of the public, pursuant to 24 CFR 91.105, 24 CFR 91.505, and the County's Citizens Participation Plan, of its intent to amend the 2022-2023 and 2023-2024 One Year Action Plans of the 2019-2024 Five Year Consolidated Plan by the following actions:

**2022- 2023 One Year Action Plan**

<b>1.LE.84-22 City Park Improvements</b>	<b>\$431,287</b>	<b>Change Project Description</b>
<b>Sandstone Apartments</b>	<b>\$3,000,000</b>	<b>Add HOME Project</b>

**2023-2024 One Year Action Plan**

<b>3.MR.76-23 Pedestrian Safety Enhancement Project</b>	<b>\$788,298</b>	<b>Add Project Locations Increase CDBG Funding</b>
<b>Cambern Apartments</b>	<b>\$3,000,000</b>	<b>Add HOME Project</b>
<b>Villa Verde Apartments</b>	<b>\$4,000,000</b>	<b>Add HOME Project</b>

A determination regarding the proposed amendment to the 2022-2023 and 2023-2024 One Year Action Plans of the 2019-2024 Five Year Consolidated Plan has been scheduled on or about October 29, 2024, at the Riverside County Board of Supervisor's meeting, located at 4080 Lemon Street, Riverside, California.

Anyone interested in providing comments or obtaining additional information regarding this Consolidated Plan Substantial Amendment may do so by contacting the Department of Housing and Workforce Solutions at 3403 Tenth Street, Suite 300, Riverside, CA, 92501, (951) 955-1161, [RivCoCDBG@rivco.org](mailto:RivCoCDBG@rivco.org). Both oral and written comments for all the above items must be received no later than 4:00 PM on October 28, 2024.

Input and comments can also be received by the U.S. Department of Housing and Urban Development, CPD Division at [CPDLA@hud.gov](mailto:CPDLA@hud.gov). Comments or objections received after October 28, 2024, will not be considered by HUD.

Any public requesting to call in to speak on an item or during Public Comment must first register at the Clerk of the Board's website at: <https://www.rivcocob.org/comments>, 24 hours in advance. Once registered further information will be provided. Please call in prior to 9:00 a.m. on the meeting date. The public may also submit comments for the Board of Supervisors meeting by emailing Clerk of the Board at [cob@rivco.org](mailto:cob@rivco.org). Please note that if you are not participating in the meeting, you do not need to register. You may view the meeting on the Clerk of the Board's website at <http://riversidecountyca.igmp2.com/citizens/default.aspx>

The County of Riverside is committed to making its public meetings accessible to persons with disabilities. In compliance with the Americans with Disabilities Act (ADA), all County public meetings are conducted in accessible locations. In addition, the County will provide auxiliary aids or services and materials in alternate formats, including interpreter services upon request and at no cost. To request these services, please contact the Clerk of the Board office at least 72 hours prior to the meeting at (951) 955-1069 between 8:00 a.m. and 5:00 p.m., Monday through Friday. Later requests will be accommodated to the extent feasible.



**ENVIRONMENTAL  
EXEMPTION DOCUMENTATION**

**To:** County Clerk and Recorder's Office  
County of Riverside  
2720 Gateway Drive  
Riverside, CA 92507

**From:** Housing and Workforce Solutions  
County of Riverside  
3430 10<sup>th</sup> Street, Suite 300  
Riverside, CA 92501

**Project Title:** Substantial Amendments to the 2022-2023 and 2023-2024 One Year Action Plan of the 2019-2024 Five Year Consolidated Plan to amend 1.LE.84-22 City Park Improvements, 3.MR.76-23 Pedestrian Safety Enhancement Project, and to add Sandstone Apartments Project, Cambern Apartments Project, Villa Verde Apartment Project

**Grant No.:** B-22-UC-06-0506 and B-23-UC-06-0506

**Description of Project:** Pursuant to 24 CFR Part 570, 24 CFR Part 91, and the Citizens Participation Plan, the Board of Supervisors is authorized to approve and adopt substantial amendments to the 2022-2023 and 2023-2024 One Year Action Plans of the 2019-2024 Consolidated Plan for the HUD-funded CDBG and HOME programs.

**Project Location:** Riverside County

**Project Proponent:** Housing and Workforce Solutions for the County of Riverside

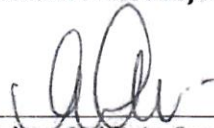
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**CALIFORNIA ENVIRONMENTAL QUALITY ACT**

**Project Description:** The project, the Substantial Amendment to the 2022-2023 and 2023-2024 One Year Action Plan of the 2019-2024 Five Year Consolidated Plan, is an administrative planning document that will only have a financial effect. It can be seen with certainty that there is no possibility that the proposed substantial amendment may have a significant effect on the environment and will not lead to any direct or reasonably indirect physical impacts.

**Exempt Status: (Check one)**

- Ministerial (Section 21080 (b) (1); Section 15268);
- Declared Emergency [Section 21080 (b) (3); Section 15239(a)];
- Emergency Project [Section 21080 (b) (4); Section 15269 (b) (c)];
- Statutory Exemption (Section Number: \_\_\_\_\_)
- Categorical Exemption: Class 1 (Section Number: \_\_\_\_\_)
- These activities are not subject to CEQA [pursuant to Section 15061 (b) (3)]**
- Other

Environmental Specialist:  Date: **September 24, 2024**,  
Melissa Valdivia, Supervising Development Specialist

Certifying Officer:  Date: **September 24, 2024**  
Susana Orozco, Principal Development Specialist - CDBG/ESG Programs  
Phone: 951-955-5933





**Certification of Exemption for HUD-funded projects**  
Determination of activities not subject to 24 CFR 58.34(a)  
May be subject to provisions of Sec 58.6, as applicable

**Project Name:** substantial Amendments to the 2022-2023 and 2023-2024 One Year Action Plan of the 2019-2024 Five Year Consolidated Plan to amend 1.LE.84-22 City Park Improvements, 3.MR.76-23 Pedestrian Safety Enhancement Project, and to add Sandstone Apartments Project, Cambren Apartments Project, Villa Verde Apartment Project

**Project Description:** Pursuant to 24 CFR Part 570, 24 CFR Part 91, and the Citizens Participation Plan, the Board of Supervisors is authorized to approve and adopt substantial amendments to the 2022-2023 and 2023-2024 One Year Action Plans of the 2019-2024 Consolidated Plan for the HUD-funded CDBG and HOME programs.

**Address:** 3410 Tenth St., Suite 300, Riverside, CA 92501

**Funding Source:**  CDBG  HOME  ESG  HOPWA  EDI  Other

I hereby certify that the above-mentioned project has been reviewed and determined an Exempt activity per 24 CFR 58.34(a) as follows:

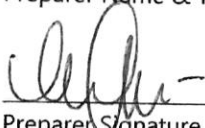
	1. Environmental and other studies, resource identification and the development of plans and strategies;
	2. Information and financial services;
✓	3. Administrative and management activities;
	4. Public services that will not have a physical impact or result in any physical changes, including but not limited to services concerned with employment, crime prevention, childcare, health, drug abuse, education, counseling, energy conservation and welfare or recreational needs;
	5. Inspections and testing of properties for hazards or defects;
	6. Purchase of insurance;
	7. Purchase of tools;
	8. Engineering or design costs;
	9. Technical assistance and training;
	10. Assistance for temporary or permanent improvements that do not alter environmental conditions and are limited to protection, repair, or restoration activities necessary only to control or arrest the effects from disasters or imminent threats to public safety including those resulting from physical deterioration;
	11. Payment of principal and interest on loans made or obligations guaranteed by HUD;
	12. Any of the categorical exclusions listed in Sec. 58.35(a) provided that there are no circumstances that require compliance with any other Federal laws and authorities cited in Sec. 58.5.

If your project falls into any of the above categories, you do not have to submit a Request for Release of Funds (RROF), and no further approval from HUD will be needed by the recipient for the draw-down of funds to carry out exempt activities and projects. However, the responsible entity must still document in writing its compliance with and/or applicability of "other requirements" per 24 CFR 58.6 (included with this document).



By signing below the Responsible Entity certifies in writing that each activity or project is exempt and meets the conditions specified for such exemption under section 24 CFR 58.34(a). Please keep a copy of this determination in your project files.

Melissa Valdivia, Supervising Development Specialist  
Preparer Name & Title (please print)

  
Preparer Signature

9/24/2024  
Date

Susana Orozco, Principal Development Specialist  
Responsible Entity Name & Title

  
Responsible Entity Signature

9/24/2024  
Date