

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



ITEM: 3.27
(ID # 27462)

MEETING DATE:
Tuesday, May 20, 2025

FROM : HOUSING AND WORKFORCE SOLUTIONS

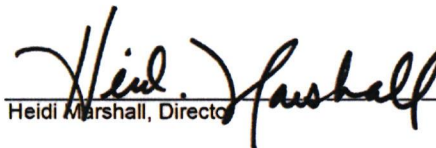
SUBJECT: HOUSING AND WORKFORCE SOLUTIONS (HWS): Approve the Substantial Amendments to the 2021-2022 and 2022-2023 One Year Action Plans of the 2019-2024 Five Year Consolidated Plan, and 2024-2025 One Year Action Plan of the 2024-2029 Five Year Consolidated Plan to amend 5.BN.53-21 Sylvan Park Improvement Project in Banning, 5.BN.59-22 Lions Park Project II in Banning, and 5.BEA.51-24 Citywide Sidewalk Project in Beaumont; Ratify and Approve the Amended and Restated Supplemental Agreement with City of Banning; District 5. [\$873,260; 100% Community Development Block Grant] (CEQA and NEPA Exempt)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the Substantial Amendments to the 2021-2022 and 2022-2023 One Year Action Plans of the 2019-2024 Five Year Consolidated Plan, and 2024-2025 One Year Action Plan of the 2024-2029 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

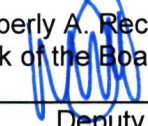
ACTION:Policy


Heidi Marshall, Director 4/29/2025

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Medina, Spiegel, Washington, Perez and Gutierrez
Nays: None
Absent: None
Date: May 20, 2025
xc: HWS, State Clearinghouse, Recorder

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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

RECOMMENDED MOTION: That the Board of Supervisors:

2. Find that the Substantial Amendments to the 2021-2022 and 2022-2023 One Year Action Plans of the 2019-2024 Five Year Consolidated Plan, and 2024-2025 One Year Action Plan of the 2024-2029 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 2021-2022 One Year Action Plan of the 2019-2024 Five Year Consolidated Plan to increase Community Development Block Grant (CDBG) funding to 5.BN.53-21 Sylvan 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 increase Community Development Block Grant (CDBG) funding to 5.BN.59-22 Lion's Park Project II, more fully described in Attachment B, attached hereto;
5. Approve the Substantial Amendment to the 2024-2025 One Year Action Plan of the 2024-2029 Five Year Consolidated Plan to increase Community Development Block Grant (CDBG) funding to 5.BEA.51-24 Pedestrian Sidewalk Safety Improvement Project Phase II, more fully described in Attachment C, attached hereto;
6. Ratify and approve the attached Amended and Restated Supplemental Agreement for the City of Banning's 2021-2022 Community Development Block Grant Funds in an amount not to exceed \$220,416 from December 27, 2021, through June 30, 2026, and authorize Chair of the Board to execute three (3) copies of the Amended and Restated Supplemental Agreement on behalf of the County;
7. Ratify and approve the attached Amended and Restated Supplemental Agreement with the City of Banning's 2022-2023 Community Development Block Grant Funds in an amount not to exceed \$363,207.37 from January 17, 2023, through June 30, 2026, and authorize Chair of the Board to execute three (3) copies of the Amended and Restated Supplemental Agreement on behalf of the County;
8. Ratify and approve the Form of Amended Supplemental Agreement with the City of Beaumont's 2024-2025 Community Development Block Grant Funds in an amount not to exceed \$289,636.66 from December 6, 2024, through June 30, 2026, and authorize the Deputy Director of Housing and Workforce Solutions to execute the Amended Supplemental Agreement; and
9. Direct staff to file the Notices of Exemption with the County Clerk and the State Clearinghouse within five business days of approval.

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$873,260	\$ 0	\$873,260	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% Community Development Block Grant			Budget Adjustment: No	
			For Fiscal Year: 21/22, 22/23, and 24/25	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The County of Riverside's Housing and Workforce Solutions (HWS) Department, administers Community Development Block Grant (CDBG) funds on behalf of the Cities of Banning and Beaumont. Both cities have recently requested modifications to the terms of previously approved projects. The requested changes will require amending agreements with the cities and trigger substantial amendments to the County's One-Year Action Plan submitted to the U.S. Department of Housing and Urban Development (HUD). In accordance with HUD requirements, all substantial amendments to the County's Five-Year Consolidated Plan and One-Year Action Plans must follow the Citizen Participation Plan and receive approval from both the Board of Supervisors and HUD.

On June 22, 2021, (Minute Order 3.19), the Board of Supervisors approved the Supplemental Agreement for the City of Banning 2021-2022 Community Development Block Grant funds. This agreement allows for the use of CDBG funds for proposed improvements to Lion's Park, Roosevelt Williams Park, and Sylvan Park. The County and City of Banning entered into a Supplemental Agreement for the use of CDBG funds, executed December 27, 2021, wherein \$213,916 in CDBG funds were allocated to the City of Banning by the County and designated for a specific use; and although the Original Agreement, by its terms expired June 30, 2022, City of Banning has continued to provide the services set forth in Exhibit "B, C, and D" of the Original Agreement through the date of this Agreement. The County and City of Banning desire to amend and restate the Supplemental Agreement to reflect an approved increase of \$11,000 in CDBG funds allocated to the City of Banning for a new total grant amount of \$220,416 with a performance date of June 30, 2026. The City of Banning will oversee the planning and execution of the improvements to Lion's Park, Roosevelt Williams Park, and Sylvan Park, working closely with the County of Riverside.

On July 26, 2022, (Minute Order 3.19), the Board of Supervisors approved the Supplemental Agreement for the City of Banning 2022-2023 Community Development Block Grant funds. This agreement allows for the use of CDBG funds for additional proposed improvements to the Lion's Park Project II. The County and City of Banning entered into a Supplemental Agreement for the use of CDBG funds, executed January 17, 2023, wherein \$194,818 in CDBG funds were allocated to the City of Banning by the County and designated for a specific use; and although the Original Agreement, by its terms expired June 30, 2023, City of Banning has continued to

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

provide the services set forth in Exhibit "C" of the Original Agreement through the date of this Agreement. The County and City of Banning desire to amend and restate the Supplemental Agreement to reflect an increase of \$168,389.37 in CDBG funds allocated to the City of Banning for a new total grant amount of \$363,207.37 with a performance date of June 30, 2026. The City of Banning will oversee the planning and execution of the Lion's Park Project II improvements, working closely with the County of Riverside.

On July 30, 2024, (Minute Order 19.2), the Board of Supervisors approved the Supplemental Agreement for the City of Beaumont 2024-2025 Community Development Block Grant funds. This agreement allows for the use of CDBG funds for proposed improvements to the Pedestrian Sidewalk Safety Improvement Project Phase II. The County and City of Beaumont entered into a Supplemental Agreement for the use of CDBG funds, executed December 6, 2024, wherein \$131,223 in CDBG funds were allocated to the City of Beaumont by the County and designated for a specific use. Whereas the County and City of Beaumont desire to amend and restate the Supplemental Agreement to reflect an increase of \$138,413.66 in CDBG funds allocated to the City of Beaumont for a new total grant amount of \$289,636.66 with a performance date of June 30, 2026. The City of Beaumont will oversee the planning and execution of the improvements to the Pedestrian Sidewalk Safety Improvement Project Phase II, working closely with the County of Riverside.

Staff has determined that the proposed CDBG projects warranting these substantial amendments are eligible activities that meet a National program Objective. Attachments A, B, and C describe the proposed amendments to the 2021-2022, 2022-2023, and 2024-2025 One Year Action Plans.

Staff recommends approval of the CDBG projects listed below as substantial amendments to the 2021-2022, 2022-2023, and 2024-2025 One Year Action Plans of the 2019-2024 and 2024-2029 Five Year Consolidated Plan:

2021-2022 One Year Action Plan

5.BN.53-21 Sylvan Park Improvement Project	\$155,016.00	Increase CDBG Funding
--	--------------	-----------------------

2022-2023 One Year Action Plan

5.BN.59-22 Lion's Park Project II	\$363,207.37	Increase CDBG Funding
-----------------------------------	--------------	-----------------------

2024-2025 One Year Action Plan

5.BEA.51-24 Pedestrian Sidewalk Safety Improvement Project Phase II	\$269,636.66	Increase CDGB Funding
---	--------------	-----------------------

Impact on Residents and Businesses

5.BN.53-21 City of Banning Sylvan Park Improvements (CDBG):

The City of Banning will use CDBG funding for the design and construction of improvements at Sylvan Park. Renovations include the replacement of a picnic shelter, installation of picnic

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

tables, resurfacing of two basketball courts with safety surfacing, and repairing of the roof structure at the entry arches off Nicolet Street. Eligible CDBG expenses will include design, construction, project management, compliance monitoring, and other related activities.

5.BN.59-22 City of Banning Lion's Park Project II (CDBG):

The City of Banning will use CDBG funds for improvements at Lions Park. Improvements include re-design and replacing the aging irrigation system and fencing on the fields. Eligible CDBG expenses will include design, construction, project management, compliance monitoring, and other related activities.

**5.BEA.51-24 City of Beaumont Pedestrian Sidewalk Safety Improvements
Project Phase II (CDBG):**

The City of Beaumont will use CDBG funds to continue sidewalk improvements to improve pedestrian safety. Improvements include, but are not limited to, lighting, sidewalk installation, and curb and gutter repairs. CDBG funds will be used for design and engineering, construction, project management, and other related costs.

Additional Fiscal Information

No impact upon the County's General Fund; the proposed projects will be fully funded with CDBG Program funds that the County manages for the cities.

ATTACHMENTS:

- Attachment A - 5.BN.53-21 City of Banning Sylvan Park Improvements,
- Attachment B - 5.BN.59-22 City of Banning Lion's Park Project II,
- Attachment C - 5.BEA.51-24 City of Beaumont Pedestrian Sidewalk Safety Improvements Project Phase II
- Public Notice and Proof of Publication
- Notice of Exemption
- Certification of Exemption
- Amended and Restated Supplemental Agreement for the use of 2021-2022 Community Development Block Grant Funds with the City of Banning
- Amended and Restated Supplemental Agreement for the use of 2022-2023 Community Development Block Grant Funds with the City of Banning
- Form of Amended Supplemental Agreement for the use of 2024-2025 Community Development Block Grant with the City of Beaumont


Brannia Lontajo, Principal Management Analyst 5/14/2025


Aaron Gettis, Chief of Deputy County Counsel 5/8/2025

**AMENDMENT NO. 1 TO THE SUPPLEMENTAL AGREEMENT
FOR THE USE OF 2024-2025 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

This AMENDMENT No.1 to the Supplemental Agreement ("Amendment No. 1") made and entered this ____ day of _____ 2025, by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California, herein called, ("COUNTY"), and the **CITY OF BEAUMONT**, a political subdivision of the State of California, herein called ("CITY"). COUNTY and CITY are sometimes referred to herein as "Party" and together as "Parties".

WITNESSETH:

WHEREAS, the parties hereto are the parties to a certain Supplemental Agreement ("Agreement"), effective December 6, 2024 and terminating on June 30, 2025, whereas the CITY elected to participate with COUNTY, under the terms of which certain Community Development Block Grant funds ("CDBG") were allocated to said CITY and designated for a specific use. Said Supplemental Agreement effective December 6, 2024 is incorporated herein by reference and made a part of this Amendment No. 1 as if each and every provision was set forth herein; and

WHEREAS, the parties desire to amend said Supplemental Agreement effective November 6, 2024 under the terms of which \$151,223 in Community Development Block Grant funds were allocated to said CITY and designated for a specific use to extend termination date to June 30, 2026; and

WHEREAS, COUNTY has additional CDBG funds to grant to CITY, and the Parties desire to amend the Supplemental Agreement to reflect an increase in CDBG funds allocated to CITY in the additional amount of **\$138,413.66**, for a new total grant amount of **\$289,636.66**;

1 NOW, THEREFORE, in consideration of the promises and the mutual covenants
2 and conditions hereinafter set forth, said Supplemental Agreement dated December 6, 2024, is
3 hereby amended as follows:

4 1. PURPOSE. Section 2 of said Supplemental Agreement entitled, "PURPOSE,"
5 is hereby deleted in its entirety and replaced with the following language:

6 CITY promises and agrees to undertake and assist with the community development activities,
7 within its jurisdiction, by utilizing the sum of **\$289,636.66**, Community Development Block
8 Grant, Entitlement Funds as specifically identified in "Exhibit A-Amended", which is attached
9 hereto, and by this reference is incorporated herein, for the following project(s):

10 **A. 5.BEA.51-24 Pedestrian Sidewalk Safety Improvement Project Phase II,**
11 **\$269,636.66**

12 CITY has allocated the remaining \$20,000 from its 2024-2025 CDBG allocation to certain
13 activities identified below, hereinafter referred to as "County-wide Activities," that will be
14 directly administered by the COUNY:

15 **B. 0.262-24 Court Appointed Special Advocate (CASA) Program, \$10,000**

16 **C. 0.271-24 Camp Kids, \$10,000**

17 2. TERM OF AGREEMENT. Section 3 is hereby deleted in its entirety and replaced
18 as follows: This Agreement commences on December 6, 2024, and shall continue until June 30,
19 2026.

20 3. AMENDMENT TO EXHIBIT. Exhibit "A" pages 1 through 6 to said
21 Supplemental Agreement is hereby amended by deleting said Exhibit "A" in its entirety and
22 replacing with "Exhibit A-Amended" pages 1 through 6 which is attached hereto and by this
23 reference incorporated herein.

24 4. ENTIRE UNDERSTANDING. This Amendment No.1 to the Supplemental
25 Agreement and the Supplemental Agreement taken together set forth and contain the entire
26 understanding and agreement of the Parties hereto. There are no oral or written representations,
27
28

1 understandings, or ancillary covenants, undertakings or agreements, which are not contained or
2 expressly referred to within this Amendment No.1 and the Supplemental Agreement.

3 5. AGREEMENT IN FULL FORCE AND EFFECT. Except to the extent
4 specifically amended herein all of the terms, covenants and conditions of said Supplemental
5 Agreement dated December 6, 2024, shall remain in full force and effect between the parties
6 hereto.

7 6. EFFECTIVENESS OF AMENDMENT. The effective date of this
8 Amendment No.1 to the Supplemental Agreement is the date the parties execute this Amendment.
9 If the parties execute this Amendment on more than one date, then the last date this Amendment
10 is executed by a party shall be the Effective Date.

11 7. FURTHER ASSURANCES. The Parties agree to execute such other
12 documents and to take such other actions as may be reasonably necessary to further the purpose
13 of this Amendment No.1 to the Supplemental Agreement.

14 8. ELECTRONIC SIGNATURES.
15
16 This Agreement may be executed in any number of counterparts, each of which will be an
17 original, but all of which together will constitute one instrument. Each party of this Agreement
18 agrees to the use of electronic signatures, such as digital signatures that meet the requirements
19 of the California Uniform Electronic Transactions Act ("CUETA") Cal. Civ. Code §§ 1633.1
20 to 1633.17), for executing this Agreement. The parties further agree that the electronic
21 signatures of the parties included in this Agreement are intended to authenticate this writing and
22 to have the same force and effect as manual signatures. Electronic signature means an electronic
23 sound, symbol, or process attached to or logically associated with an electronic record and
24 executed or adopted by a person with the intent to sign the electronic record pursuant to the
25 CUETA as amended from time to time. The CUETA authorizes use of an electronic signature
26
27
28

1 for transactions and contracts among parties in California, including a government agency.
2 Digital signature means an electronic identifier, created by computer, intended by the party using
3 it to have the same force and effect as the use of a manual signature, and shall be reasonably
4 relied upon by the parties. For purposes of this section, a digital signature is a type of "electronic
5 signature" as defined in subdivision (h) of Section 1633.2 of the Civil Code.
6
7
8
9
10
11
12
13
14
15
16

17 [Remainder of Page Intentionally Blank]
18

19 [Signatures on Following Page]
20
21
22
23
24
25
26
27
28

1 IN WITNESS WHEREOF, the parties hereto have caused this Amendment No.1
2 to the Supplemental Agreement to be duly executed as of the dates set forth below.
3

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

CITY OF Beaumont,
a political subdivision of the
State of California

7 BY: FORM COPY - DO NOT SIGN
8 Juan Garcia,
9 Deputy Director

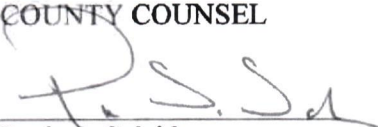
BY: Elizabeth Gibbs
Elizabeth Gibbs,
City Manager

10 Date: _____
11

12 Date: 05/07/2025
13

14 APPROVED AS TO FORM:
15

16
17 MINH C. TRAN,
18 COUNTY COUNSEL

19 
20 Paula S. Salcido,
21 Deputy County Counsel
22
23
24
25
26
27
28


Amendment 1 Supplemental Agreement- 5.BEA.51-24 with Amended Exhibit (007)

Final Audit Report

2025-05-07

Created:	2025-05-07
By:	Anna Varona-Doromal (avarona-doromal@rivco.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAK4dhVZknAPqDSVsb4SAsch4gJ_nr6Gvk

"Amendment 1 Supplemental Agreement- 5.BEA.51-24 with Amended Exhibit (007)" History

 Document created by Anna Varona-Doromal (avarona-doromal@rivco.org)

2025-05-07 - 10:56:49 PM GMT- IP address: 158.61.6.2

 Document emailed to egibbs@beaumontca.gov for signature

2025-05-07 - 10:57:40 PM GMT

 Email viewed by egibbs@beaumontca.gov

2025-05-07 - 11:25:32 PM GMT- IP address: 52.26.86.3

 Signer egibbs@beaumontca.gov entered name at signing as Elizabeth Gibbs

2025-05-07 - 11:26:22 PM GMT- IP address: 74.87.19.130

 Document e-signed by Elizabeth Gibbs (egibbs@beaumontca.gov)

Signature Date: 2025-05-07 - 11:26:24 PM GMT - Time Source: server- IP address: 74.87.19.130

 Agreement completed.

2025-05-07 - 11:26:24 PM GMT

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

I. GENERAL INFORMATION

CITY NAME: City of Beaumont UEI #: R8CSKWJ1NDK5

ADDRESS: 550 E. 6th Street
Beaumont, CA 92223

PROGRAM CONTACTS: Elizabeth Gibbs, City Manager

PHONE: (951) 769-8520 FAX: (951) 769-8526

E-MAIL: egibbs@beaumontca.gov

PROJECT NAME: Pedestrian Sidewalk Safety Improvements Project Phase II

PROJECT LOCATION: Various locations within the City of Beaumont

LEVEL OF ENVIRONMENTAL CLEARANCE: CATEGORICAL EXCLUSION

CDBG ELIGIBILITY CODE: 570.201 (c)

PROJECT FUNDING SUMMARY: **\$269,636.66**

II. SCOPE OF SERVICE

A. Activities

City will be responsible for administering a **2024-2025** Community Development Block Grant for the **Pedestrian Sidewalk Safety Improvements Project II** 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 Beaumont will use CDBG funds to continue sidewalk improvements to improve pedestrian safety. Improvements include, but are not limited to, lighting, sidewalk installation, and curb and gutter repairs. CDBG funds will be used for design and engineering, construction, project management, and other related costs.*

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 *Design and engineering, construction, and project management 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.

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 \$269,636.66. 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			
Project Administration Costs				
Construction Costs				
Acquisition Costs				
Relocations Costs				
Capital Equipment Costs				
Code Enforcement				
Clearance				
Interim Assistance				
Indirect Costs:				
TOTAL CDBG BUDGET	\$269,636.66		\$269,636.66	

G. Total Amount of Non- CDBG Leveraging

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

TOTAL: \$0.00

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 2024	September 2024
Implement Project Activities	Upon Notification from HWS	
Execute Supplemental Agreement & Notice to Incur Cost	September 2024	January 2025

<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Submit Quarterly Performance Reports to County	October 2024	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 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.

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

This First Amended and Restated to Supplemental Agreement (herein referred to as "Agreement"), for the use of Community Development Block Grant funds, is made and entered into this 20 day of May 2025, 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 BANNING**, a political subdivision of the State of California, 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 17, 2023, wherein \$194,818 in CDBG funds were allocated to CITY by COUNTY and designated for a specific use; and

WHEREAS, CITY has completed project services 5.B.N.57-22 – Teens Continue to Lead funded in amount of \$10,000; and 5.B.N.58-22 Sylvan Park Improvement Project II funded in amount of \$80,000; 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

1 WHEREAS, pursuant to Minute Order 3.19 on July 26, 2022, the Board of
2 Supervisors approved the 2022-2023 One-Year Action Plan of the 2019-2024 Five Year
3 Consolidated Plan approving \$194,818; and

4 WHEREAS, COUNTY has additional CDBG funds to grant to CITY, and the Parties
5 desire to amend and restate the Agreement to reflect an increase in CDBG funds allocated to
6 CITY in the amount of **\$258,389.37**, for a new total grant amount of **\$453,207.37**; and

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

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

12 1. PURPOSE. CITY promises and agrees to undertake and assist with
13 COUNTY's community development activities, by utilizing the sum of **\$363,207.37** ("CDBG
14 Entitlement Funds"), as specifically identified in Amended Exhibit C, attached hereto and
15 incorporated herein by this reference, for the following project:

C. 5.BN.59-22 – Lions Park Project II, \$363,207.37

16 2. TERM OF AGREEMENT. This Agreement commences on January 17, 2023,
17 and shall continue until June 30, 2026.

18 3. COMPLETION SCHEDULE. CITY shall proceed consistent with the
19 completion schedule set forth in Amended Exhibit C attached hereto and incorporated herein.

20 4. EXTENSION OF TIME. COUNTY may grant an extension, in its sole and
21 absolute discretion, to the completion schedule for the purpose of completing CITY'S
22 projects/activities which are underway and cannot be completed during the term of this
23 Agreement. CITY shall request said extension in writing, stating the reasons therefore, and
24 may be granted only by receiving written approval from the COUNTY. Every term, condition,
25 covenant, and requirement of this Agreement shall continue in full force and effect during the
26 period of any such extension. In the event that the CITY does not request an extension, or if

no extension is authorized by the COUNTY, this Agreement may be terminated consistent with the termination procedures as set forth in Section 19 of this Agreement.

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

6. NOTICES. Each notice, request, demand, consent, approval or other communication (hereinafter in this Section referred to collectively as "notices" and referred to singly as a "notice") which the CITY or COUNTY is required or permitted to give to the other party pursuant to this Agreement shall be in writing and shall be deemed to have been duly and sufficiently given if: (a) personally delivered with proof of delivery thereof (any notice so delivered shall be deemed to have been received at the time so delivered); or (b) sent by Federal Express (or other similar national overnight courier) designating early morning delivery (any notice so delivered shall be deemed to have been received on the next Business Day following receipt by the courier); or (c) sent by United States registered or certified mail, return receipt requested, postage prepaid, at a post office regularly maintained by the United States Postal Service (any notice so sent shall be deemed to have been received two days after mailing in the United States), addressed to the respective parties as follows:

<u>COUNTY</u>	<u>CITY</u>
Heidi Marshall, Director	Lt. Robert Fisher, Acting City Manager
Riverside County HWS	City of Banning
P.O. Box 1528	99 East Ramsey St
Riverside, CA 92502	Banning, CA 92220

7. DISBURSEMENT OF FUNDS. COUNTY'S Board of Supervisors shall determine the final disposition and disbursement of all funds received by COUNTY under the Act consistent with the provisions of Sections 1 and 2 of this Agreement. COUNTY, through its Department of Housing and Workforce Solutions, shall: (1) make payments of the grant

1 funds to CITY as set forth in Amended Exhibit C attached hereto, and (2) monitor the CDBG-
2 funded activity to ensure compliance with applicable federal regulations and the terms of this
3 Agreement.

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

18 9. RECORDS AND INSPECTIONS.

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

1 pursuant to 2 CFR 200.333 include the following:

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

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

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

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

10 b. CITY shall maintain a separate account for CDBG Entitlement Funds
11 received as set forth in Amended Exhibit C.

12 c. CITY shall obtain an external audit in accordance with the Uniform
13 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
14 (2 CFR Section 200.500). Audits shall usually be performed annually but not less frequently
15 than every two years. Nonprofit institutions and government agencies that expend less than
16 \$750,000 a year in federal awards are exempt from federal audit requirements, but records
17 must be available for review by appropriate officials of the federal grantor agency or
18 subgranting entity. The audit report shall be submitted to the COUNTY within 180 days after
19 the end of the COUNTY'S fiscal year.

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

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

25 f. CITY shall submit to the COUNTY copies of all studies and reports
26 prepared for this project and the COUNTY shall have the right to the use and benefit of all

1 such studies and reports.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 work, to give up any part of the compensation to which he is otherwise entitled. The recipient
2 shall report all suspected or reported violations to HUD.

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

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

1 or materials or articles ordinarily available on the open market, or contracts for transportation or
2 transmission of intelligence.

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

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

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

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

1 more than \$100,000 for such failure.

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

3 No Federal appropriated funds have been paid or will be paid, by or on behalf of it,
4 to any person for influencing or attempting to influence an officer or employee of any agency, a
5 Member of Congress, an officer or employee of Congress, or an employee of a Member of
6 Congress in connection with the awarding of any Federal contract, the making of any Federal
7 grant, the making of any Federal loan, the entering into of any cooperative agreement, and the
8 extension, continuation, renewal, amendment, or modification of any Federal contract, grant,
9 loan, or cooperative agreement;

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

16 y. *Debarment and Suspension (Executive Orders (E.O.) 12549 and 12689):*

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

24 z. *Drug-Free Workplace Requirements:* The Anti-Drug Abuse Act of 1988
25 (41 U.S.C.A. Section 8101-8103) requires grantees (including individuals) of federal agencies,
26 as a prior condition of being awarded a grant, to certify that they will provide drug-free

workplaces. Each potential recipient must certify that it will comply with drug-free workplace requirements in accordance with the Act and with HUD's rules at 2 CFR Part 2425.

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

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

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

dd. *Procurement of Recovered Materials (2 CFR 200.323):* A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with 42 U.S.C. Section 6962 of the Solid Waste Disposal Act (42 U.S.C.A. Section 6901, et seq.), as amended by the Resource Conservation and Recovery Act. The requirements of

1 Section 6002 include procuring only items designated in guidelines of the Environmental
2 Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered
3 materials practicable, consistent with maintaining a satisfactory level of competition, where the
4 purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding
5 fiscal year exceeded \$10,000; procuring solid waste management services in a manner that
6 maximizes energy and resource recovery; and establishing an affirmative procurement program
7 for procurement of recovered materials identified in the EPA guidelines.

8 ee. *Political Activities:* CDBG funds shall not be used to finance the use of
9 facilities or equipment for political purposes or to engage in other partisan political activities,
10 such as candidate forums, voter transportation, or voter registration subject to the exceptions
11 listed in 24 CFR 570.207(a)(3).

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

16 12. COOPERATION WITH COMMUNITY DEVELOPMENT ACTIVITIES.
17 CITY shall cooperate with COUNTY in undertaking essential community development and
18 housing assistance activities and shall assist COUNTY in carrying out its Strategic Plan of
19 the 2019-2024 Five Year Consolidated Plan and other requirements of the Community
20 Development Block Grant Program.

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

25 14. HOLD HARMLESS AND INDEMNIFICATION. CITY shall indemnify and
26 hold harmless the County of Riverside, its Agencies, Districts, Special Districts and
27

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

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

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

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

24 In the event there is conflict between this clause and California Civil Code Section
25 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation
26 shall not relieve the CITY from indemnifying the Indemnitees to the fullest extent allowed by

1 law.

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

9 a. Workers' Compensation:

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

15 b. Commercial General Liability:

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

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

24 If the work will include contact with minors, and the Commercial General Liability policy is
25 not endorsed to include affirmative coverage for sexual abuse or molestation,
26

1 Vendor/Contractor shall obtain and maintain a policy covering Sexual Abuse and
2 Molestation with a limit no less than \$2,000,000 per occurrence or claim.

3 c. Vehicle Liability:

4 If vehicles or mobile equipment are used in the performance of the obligations under this
5 Agreement, then CITY shall maintain liability insurance for all owned, non-owned or hired
6 vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit.
7 If such insurance contains a general aggregate limit, it shall apply separately to this agreement
8 or be no less than two (2) times the occurrence limit. Policy shall name the County of
9 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
13 (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the
14 County's Risk Manager waives a requirement for a particular insurer such waiver is only valid
15 for that specific insurer and only for one policy term.

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

24 (iii). CITY shall cause CITY'S insurance carrier(s) to furnish the County of
25 Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified
26 original copies of Endorsements effecting coverage as required herein, and 2) if requested to

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

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

20 (v). If, during the term of this Agreement or any extension thereof, there is a
21 material change in the scope of services; or, there is a material change in the equipment to be
22 used in the performance of the scope of or, the term of this Agreement, including any
23 extensions thereof, exceeds five (5) years, the COUNTY reserves the right to adjust the types
24 of insurance required under this Agreement and the monetary limits of liability for the
25 insurance coverage's currently required herein, if, in the County Risk Manager's reasonable
26 judgment, the amount or type of 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
8 Act and any amendments thereto and the federal regulations and guidelines now or hereafter
9 enacted pursuant to the Act. More particularly, CITY is to comply with those regulations
10 found in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements
11 for Federal Awards (2 CFR Part 200) and 24 CFR Part 570. CITY is to abide by the provisions
12 of the COUNTY's CDBG 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
15 program 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
17 Agreement, an independent contractor and shall not be deemed an employee, officer, or agent
18 of the COUNTY. It is expressly understood and agreed that the CITY (including its
19 employees, agents and subcontractor's) shall in no event be entitled to any benefits to which
20 the COUNTY employees are entitled, including but not limited to overtime, any retirement
21 benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall
22 be no employer-employee relationship between the parties; and the CITY shall hold the
23 COUNTY harmless from any and all claims that may be made against the COUNTY based
24 upon any contention by a third party that an employer-employee relationship exists by reason
25 of this Agreement. It is further understood and agreed by the Parties that the CITY in the
26 performance of this Agreement is subject to the control or direction of the COUNTY merely

1 as to the results to be accomplished and not as to the means and methods for accomplishing
2 the results.

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

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

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

23 20. PROHIBITION AGAINST CONFLICTS OF INTEREST.

24 a. CITY and its assigns, employees, agents, consultants, officers and
25 elected and appointed officials shall become familiar with and shall comply with the Uniform
26 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

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

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

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

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

e. CITY understands and agrees that no waiver or exception can be granted to the prohibition against conflict of interest except upon written approval of HUD pursuant to 24 CFR 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 determining whether such request is appropriate for submission to HUD, COUNTY will consider the factors listed in 24 CFR 570.611(d)(2).

f. Prior to any funding under this Agreement, CITY shall provide COUNTY with a list of all employees, agents, consultants, officers and elected and appointed

1 officials who are in a position to participate in a decision-making process, exercise any
2 functions or responsibilities, or gain inside information with respect to the CDBG activities
3 funded under this Agreement. CITY shall also promptly disclose to COUNTY any potential
4 conflict, including even the appearance of conflict, that may arise with respect to the CDBG
5 activities funded under this Agreement.

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

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

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

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

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

24 c. The undersigned shall require that the language of this certification be
25 included in the award documents for all subawards at all tiers (including subcontracts,
26 subgrants, and contracts under grants, loans, and cooperative agreements) and that all CITYs

1 shall certify and disclose accordingly. This certification is a material representation of fact
2 upon which reliance was placed when this transaction was made or entered into.

3 23. TERMINATION.

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

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

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

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

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

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

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27

2
3
4
5

6
7
8

9
10
11

12
13
14
15

16
17
18
19

20
21
22
23
24
25
26

1 reported. The quarterly written reports shall include, but shall not be limited to the following
2 data elements:

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

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

9 c. If CDBG-funded Activity meets National Objective under 24 CFR
10 570.208 (a)(2)(i)(B), CITY shall report the following:

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

- 12 • Above 80% MHI
- 13 • Between 50% and 80% MHI (Low-Income)
- 14 • Between 30% and 50% MHI (Very Low-Income)
- 15 • Below 30% MHI (Extremely Low-Income)

16 • Total number and percentage of all clients at, or below, 80% MHI

17 • Racial ethnicity of clientele

18 • Number of Female-Headed Households

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

25 26. PRIOR COUNTY APPROVAL (CONSTRUCTION ACTIVITIES). CITY
26 shall obtain COUNTY's written approval, through its Department of Housing and Workforce
27 Solutions, of the project plans, specifications, and construction documents prior to CITY's

1 construction of same for all projects consisting of CDBG-funded construction activities. The
2 County neither undertakes nor assumes nor will have any responsibility or duty to CITY or to
3 any third party to review, inspect, supervise, pass judgment upon or inform CITY or any third
4 party of any matter in connection with the development or construction of the improvements,
5 whether regarding the quality, adequacy or suitability of the plans, any labor, service,
6 equipment or material furnished to the property, any person furnishing the same, or otherwise.
7 CITY and all third parties shall rely upon its or their own judgment regarding such matters,
8 and any review, inspection, supervision, exercise of judgment or information supplied to
9 CITY or to any third party by the County in connection with such matter is for the public
10 purpose of assisting with a community development and housing activity pursuant to the Act,
11 and neither CITY (except for the purposes set forth in this Agreement) nor any third party is
12 entitled to rely thereon. The County shall not be responsible for any of the work of
13 construction, improvement, or development of the property.

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

26 27. PRIOR COUNTY APPROVAL (AQUISITION ACTIVITIES). CITY shall

1 obtain COUNTY's written approval and authorization to proceed, through its Department of
2 Housing and Workforce Solutions, of all CDBG-funded real property acquisition activities.

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

- 12 a. Title to the real property shall vest in CITY;
- 13 b. The real property will be held by CITY, or the constructed facility will
14 be maintained by the CITY, for a minimum period of five (5) years from the date the CDBG-
15 funded activity is closed-out and reported as complete by the COUNTY through the
16 Comprehensive Annual Performance and Evaluation Report (CAPER);
- 17 c. While held by CITY, the real property or the constructed facility is to
18 be used exclusively for the purposes for which acquisition or construction was originally
19 approved by COUNTY;
- 20 d. Written approval from COUNTY must be secured if the property or the
21 facility is to be put to an alternate use that is consistent with the COUNTY'S Five-Year
22 Consolidated Plan or the applicable federal regulations governing CDBG funds;
- 23 e. Should CITY desire to use the real property or the constructed facility,
24 prior to the completion of the mandatory five-year period, for a purpose not consistent with
25 applicable federal regulations governing CDBG funds or to sell the real property or facility,
26 then:

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

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

29. ENTIRE AGREEMENT. This Agreement, including any attachments or exhibits hereto constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior 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 parties hereto. Each of the attachments and exhibits attached hereto is incorporated herein by this reference.

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

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

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

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

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

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

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

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

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

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

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

41. FORCE MAJEURE.

a. Performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, acts of the public enemy, epidemics, pandemics, quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions or priority, litigation, unusually severe 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 any causes beyond the control or without the fault of the party claiming an extension of time to perform.

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

1 Delay shall deliver such written notice within thirty (30) calendar days after it obtains knowledge
2 of the event.

3 42. MODIFICATION OF AGREEMENT. This Agreement may be modified or
4 amended only by a writing signed by the duly authorized and empowered representatives of
5 COUNTY and CITY, respectively.

6 43. DIGITAL AND ELECTRONIC SIGNATURES. The parties agree to the use
7 of electronic signatures, such as digital signatures that meet the requirements of the California
8 Uniform Electronic Transactions Act ((“CUETA”) Cal. Civ. Code §§ 1633.1 to
9 1633.17). The parties further agree that that the electronic signatures of the parties included
10 in this Agreement are intended to authenticate this writing and to have the same force and
11 effect as manual signatures. Electronic signature means an electronic sound, symbol, or
12 process attached to or logically associated with an electronic record and executed or adopted
13 by a person with the intent to sign the electronic record pursuant to the CUETA as amended
14 from time to time. The CUETA authorizes use of an electronic signature for transactions and
15 contracts among parties in California, including a government agency. Digital signature
16 means an electronic identifier, created by computer, intended by the party using it to have the
17 same force and effect as the use of a manual signature, and shall be reasonably relied upon by
18 the parties. For purposes of this section, a digital signature is a type of "electronic signature"
19 as defined in subdivision (i) of Section 1633.2 of the Civil Code.

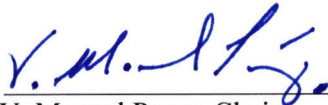
20
21
22 [Remainder of Page Intentionally Blank]

23 [Signatures on Following Page]

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

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

CITY OF BANNING,
a general law city

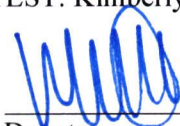
6 BY: 
7 V. Manuel Perez, Chair
8 Board of Supervisors

BY: Robert Fisher
Lt. Robert Fisher,
Acting City Manager

9 Date: MAY 20 2025

Date: Apr 17, 2025


10
11 ATTEST: Kimberly A Rector, Clerk

12 BY: 
13 Deputy

BY: Sandra Calderon
City Clerk

14
15
16
17 APPROVED AS TO FORM:

18
19 Minh C. Tran,
20 COUNTY COUNSEL

21 By: 
22 Paula S. Salcido,
23 Deputy County Counsel

City of Banning 2022-2023 Amended and Restated Supplemental Agreement with Exhibits

Final Audit Report

2025-04-21

Created:	2025-04-17
By:	Ralph Wright (rwright@banningca.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAEPRK8PR7P4LTPc1WnZC8AZFf-SgXF3q0

"City of Banning 2022-2023 Amended and Restated Supplemental Agreement with Exhibits" History



Document created by Ralph Wright (rwright@banningca.gov)
2025-04-17 - 9:13:37 PM GMT



Document emailed to Robert Fisher (rfisher@banningca.gov) for signature
2025-04-17 - 9:14:24 PM GMT



Email viewed by Robert Fisher (rfisher@banningca.gov)
2025-04-17 - 9:18:10 PM GMT



Document e-signed by Robert Fisher (rfisher@banningca.gov)
Signature Date: 2025-04-17 - 9:19:32 PM GMT - Time Source: server



Document emailed to Sandra Calderon (scalderon@banningca.gov) for signature
2025-04-17 - 9:19:34 PM GMT



Email viewed by Sandra Calderon (scalderon@banningca.gov)
2025-04-17 - 10:38:21 PM GMT



Document e-signed by Sandra Calderon (scalderon@banningca.gov)
Signature Date: 2025-04-21 - 6:25:14 PM GMT - Time Source: server



Agreement completed.
2025-04-21 - 6:25:14 PM GMT



Adobe Acrobat Sign

AMENDED AND RESTATED SUPPLEMENTAL AGREEMENT

**Amended Exhibit C
SCOPE OF WORK
(NON-PUBLIC SERVICE)**

I. GENERAL INFORMATION

CITY NAME: City of Banning UEI #: F996EVLRCRG3

ADDRESS: PO BOX 998
Banning, CA 92220

PROGRAM CONTACTS: Ralph Wright, Parks & Recreation Director

PHONE : 951-922-3130 FAX : (951) 922-3141

E-MAIL : rwright@banningca.gov

PROJECT NAME: Lion's Park Project II

PROJECT LOCATION: 955 South Hargrave, Banning, CA 92220

LEVEL OF ENVIRONMENTAL CLEARANCE: §58.35(a)(1)

CDBG ELIGIBILITY CODE: 570.201 (c)

PROJECT FUNDING SUMMARY: **\$363,207.37**

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 **Lion's Park Project II** 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 Banning will use CDBG funds for improvements at Lion's Park. Improvements include re-design and replacing the aging irrigation system and fencing on the fields. Eligible CDBG expenses will consist of design, construction, project management, compliance monitoring, and other related activities.*

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: *Construct improvements at Lions Park*

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.

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 **\$363,207.37**. 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			
Project Administration Costs	X			
Construction Costs	X			
Acquisition Costs				
Relocations Costs				
Capital Equipment Costs				
Code Enforcement				
Clearance				
Interim Assistance				
Indirect Costs:				
TOTAL CDBG BUDGET	\$363,207.37		\$363,207.37	

G. Total Amount of Non- CDBG Leveraging

TYPE	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	TOTAL
FEDERAL							
STATE/LOCAL	Local Funds	TBD					
PRIVATE							
OTHER							

TOTAL: \$0

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 2022	September 2022
Implement Project Activities	Upon Notification from HWS	
Execute Supplemental Agreement	September 2022	January 2023
& Notice to Incur Cost		

<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>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 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

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.

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

Signature: Robert Fisher
Robert Fisher (Apr 17, 2025 14:19 PDT)

Email: rfisher@banningca.gov

Signature: Sandra Calderon

Email: scalderon@banningca.gov

**AMENDED AND RESTATED SUPPLEMENTAL AGREEMENT
FOR THE USE OF 2021-2022 COMMUNITY DEVELOPMENT BLOCK GRANT
FUNDS**

This First Amended and Restated to Supplemental Agreement (herein referred to as "Agreement"), for the use of Community Development Block Grant funds, is made and entered into this 20 day of May 2025, 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 BANNING**, a political subdivision of the State of California, 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, 2021, wherein \$213,916 in CDBG funds were allocated to CITY by COUNTY and designated for a specific use; and

WHEREAS, CITY has completed project 5.BN.50-21 – Teen Leaders funded in amount of \$4,500; and

WHEREAS, although the Original Agreement, by its terms, expired on June 30, 2022, CITY has continued to provide the services for projects set forth in Exhibits B, C, and D 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 June 22, 2021, the Board of Supervisors approved the 2021-2022 One-Year Action Plan of the 2019-2024 Five Year Consolidated Plan approving \$213,916; and

1 WHEREAS, COUNTY has additional CDBG funds to grant to CITY, and the Parties
2 desire to amend and restate the Agreement to reflect an increase in CDBG funds allocated to
3 CITY in the amount of **\$11,000**, for a new total grant amount of **\$224,916**; and

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

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

9 1. PURPOSE. CITY promises and agrees to undertake and assist with
10 COUNTY's community development activities, by utilizing the sum of **\$220,416** ("CDBG
11 Entitlement Funds"), as specifically identified in Amended Exhibits B, C, and D, attached
12 hereto and incorporated herein by this reference, for the following project:

13 **B. 5.BN.51-21 - Lion's Park Project, \$45,000**

14 **C. 5.BN.52-21 - Roosevelt Williams Park Project, \$20,400**

15 **D. 5.BN.53-21 - Sylvan Park Improvement Project, \$155,016**

16 2. TERM OF AGREEMENT. This Agreement commences on December 27,
17 2021, and shall continue until June 30, 2026.

18 3. COMPLETION SCHEDULE. CITY shall proceed consistent with the
19 completion schedule set forth in Amended Exhibit B, C and D attached hereto and
20 incorporated herein.

21 4. EXTENSION OF TIME. COUNTY may grant an extension, in its sole and
22 absolute discretion, to the completion schedule for the purpose of completing CITY'S
23 projects/activities which are underway and cannot be completed during the term of this
24 Agreement. CITY shall request said extension in writing, stating the reasons therefore, and
25 may be granted only by receiving written approval from the COUNTY. Every term, condition,
26 covenant, and requirement of this Agreement shall continue in full force and effect during the
27 period of any such extension. In the event that the CITY does not request an extension, or if

no extension is authorized by the COUNTY, this Agreement may be terminated consistent with the termination procedures as set forth in Section 19 of this Agreement.

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

6. NOTICES. Each notice, request, demand, consent, approval or other communication (hereinafter in this Section referred to collectively as "notices" and referred to singly as a "notice") which the CITY or COUNTY is required or permitted to give to the other party pursuant to this Agreement shall be in writing and shall be deemed to have been duly and sufficiently given if: (a) personally delivered with proof of delivery thereof (any notice so delivered shall be deemed to have been received at the time so delivered); or (b) sent by Federal Express (or other similar national overnight courier) designating early morning delivery (any notice so delivered shall be deemed to have been received on the next Business Day following receipt by the courier); or (c) sent by United States registered or certified mail, return receipt requested, postage prepaid, at a post office regularly maintained by the United States Postal Service (any notice so sent shall be deemed to have been received two days after mailing in the United States), addressed to the respective parties as follows:

<u>COUNTY</u>	<u>CITY</u>
Heidi Marshall, Director	Lt. Robert Fisher, Acting City Manager
Riverside County HWS	City of Banning
P.O. Box 1528	99 East Ramsey St
Riverside, CA 92502	Banning, CA 92220

7. DISBURSEMENT OF FUNDS. COUNTY'S Board of Supervisors shall determine the final disposition and disbursement of all funds received by COUNTY under the Act consistent with the provisions of Sections 1 and 2 of this Agreement. COUNTY, through its Department of Housing and Workforce Solutions, shall: (1) make payments of

1 the grant funds to CITY as set forth in Amended Exhibit B, C, and D attached hereto, and
2 (2) monitor the CDBG-funded activity to ensure compliance with applicable federal
3 regulations and the terms of this Agreement.

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

18 9. RECORDS AND INSPECTIONS.

19 a. CITY shall establish and maintain financial, programmatic, statistical,
20 and other supporting records of its operations and financial activities in accordance with the
21 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal
22 Awards (2 CFR Part 200) and 24 CFR Section 570.502(a), as they relate to the acceptance
23 and use of federal funds under this Agreement. Said records shall be retained for a period of
24 four (4) years from the date that the activity or program funded with the CDBG Grant is
25 closed out by the COUNTY and reported as complete in the Comprehensive Annual
26 Performance and Evaluation Report (CAPER). Exceptions to the four (4) year retention

1 period requirement, pursuant to 2 CFR 200.333 include the following:

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

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

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

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

10 b. CITY shall maintain a separate account for CDBG Entitlement Funds
11 received as set forth in Amended Exhibit B, C, and D.

12 c. CITY shall obtain an external audit in accordance with the Uniform
13 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
14 (2 CFR Section 200.500). Audits shall usually be performed annually but not less frequently
15 than every two years. Nonprofit institutions and government agencies that expend less than
16 \$750,000 a year in federal awards are exempt from federal audit requirements, but records
17 must be available for review by appropriate officials of the federal grantor agency or
18 subgranting entity. The audit report shall be submitted to the COUNTY within 180 days after
19 the end of the COUNTY'S fiscal year.

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

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

25 f. CITY shall submit to the COUNTY copies of all studies and reports
26 prepared for this project and the COUNTY shall have the right to the use and benefit of all

1 such studies and reports.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 l. Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352) and
27

1 implementing regulations issued at 24 CFR Part 1;

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

4 n. The lead-based paint requirements of 24 CFR Part 35 issued pursuant to
5 the 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,
8 and all applicable rules and notices, as may be amended, if applicable to the Grantee's
9 infrastructure project. Pursuant to HUD's Notice, "*Public Interest Phased Implementation*
10 *Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to*
11 *Recipients of HUD Federal Assistance*" (88 FR 17001), any funds obligated by HUD on or
12 after the applicable listed effective dates, are subject to BABA requirements, unless
13 expected by a waiver.

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

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

20 (2) The CITY does not assume the COUNTY'S responsibility for
21 initiating 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
24 awarded by recipients and subrecipients shall include a provision for compliance with the
25 Copeland "Anti-Kickback" Act (18 U.S.C. Section 874), as supplemented by Department
26 of Labor Regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building
27 or Public Work Financed in Whole or in Part by Loans or Grants from the United States")

1 (“Anti-Kickback Act”). The Anti-Kickback Act provides that each contractor or
2 subrecipient shall be prohibited from inducing, by any means, any person employed in the
3 construction, completion, or repair of public work, to give up any part of the compensation
4 to which he is otherwise entitled. The recipient shall report all suspected or reported
5 violations to HUD.

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

19 t. *Contract Work Hours and Safety Standards (40 U.S.C.A. 3701-3708):*
20 Where applicable, all contracts awarded by CITY in excess of \$2,000 for construction
21 contracts and in excess of \$2,500 for other contracts that involve the employment of
22 mechanics or laborers shall include a provision for compliance with the Contract Work
23 Hours and Safety Standards (40 U.S.C.A. 3701-3708), as supplemented by Department of
24 Labor Regulations (29 CFR Part 5). Under Section 40 U.S.C.A. 3702, each contractor shall
25 be required to compute the wages of every mechanic and laborer on the basis of a standard
26 workweek of 40 hours. Work in excess of the standard workweek is permissible provided

1 that the worker is compensated at a rate of not less than 1 1/2 times the basic rate of pay for
2 all hours worked in excess of 40 hours in the workweek. 40 U.S.C.A. 3704 is applicable to
3 construction work and provides that no laborer or mechanic shall be required to work in
4 surroundings or under working conditions which are unsanitary, hazardous or dangerous.
5 These requirements do not apply to the purchases of supplies or materials or articles
6 ordinarily available on the open market, or contracts for transportation or transmission of
7 intelligence.

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

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

17 w. *Air Pollution Prevention and Control* (formally known as the *Clean Air*
18 *Act*) (42 U.S.C.A. 7401 *et seq.*) and the *Federal Water Pollution Control Act* (33 U.S.C.A.
19 *Section 1251 et seq.*), as amended: Contracts and subgrants of amounts in excess of
20 \$100,000 shall contain a provision that requires the recipient to agree to comply with all
21 applicable standards, orders or regulations issued pursuant to the *Clean Air Act* (42 U.S.C.A.
22 7401 *et seq.*) and the *Federal Water Pollution Control Act* as amended (33 U.S.C.A. *Section*
23 *1251 et seq.*). Violations shall be reported to HUD and the Regional Office of the
24 Environmental Protection Agency (EPA).

25 x. *Anti-Lobbying Certification* (31 U.S.C.A. 1352): The language of the
26 certification set forth in this paragraph w. shall be required in all contracts or subcontracts

1 entered into in connection with this grant activity and all CITYS shall certify and disclose
2 accordingly. This certification is a material representation of fact upon which reliance was
3 placed when this transaction was made or entered into. Submission of this certification is a
4 prerequisite for making or entering into this transaction imposed by 31 U.S.C.A. Section
5 1352. Any person who fails to file the required certification shall be subject to a civil penalty
6 of not less than \$10,000 and no more than \$100,000 for such failure.

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

8 No Federal appropriated funds have been paid or will be paid, by or on behalf
9 of it, to any person for influencing or attempting to influence an officer or employee of any
10 agency, a Member of Congress, an officer or employee of Congress, or an employee of a
11 Member of Congress in connection with the awarding of any Federal contract, the making
12 of any Federal grant, the making of any Federal loan, the entering into of any cooperative
13 agreement, and the extension, continuation, renewal, amendment, or modification of any
14 Federal contract, grant, loan, or cooperative agreement;

15 If any funds other than Federal appropriated funds have been paid or will be
16 paid to any person for influencing or attempting to influence an officer or employee of any
17 agency, a Member of Congress, an officer or employee of Congress, or an employee of a
18 Member of Congress in connection with this Federal contract, grant loan or cooperative
19 agreement, he/she will complete and submit Standard Form – LLL, "Disclosure Form to
20 Report Lobbying," in accordance with its instructions."

21 y. *Debarment and Suspension (Executive Orders (E.O.) 12549 and*
22 *12689)*: No contract shall be made to parties listed on the General Services Administration's
23 List of Parties Excluded from Federal Procurement or Nonprocurement Programs in
24 accordance with E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 2
25 CFR Part 2424. This list contains the names of parties debarred, suspended, or otherwise
26 excluded by agencies, and contractors declared ineligible under statutory or regulatory

1 authority other than E.O. 12549. Contractors with awards that exceed the small purchase
2 threshold shall provide the required certification regarding its exclusion status and that of
3 its principal employees.

4 z. *Drug-Free Workplace Requirements:* The Anti-Drug Abuse Act of
5 1988 (41 U.S.C.A. Section 8101-8103) requires grantees (including individuals) of federal
6 agencies, as a prior condition of being awarded a grant, to certify that they will provide drug-
7 free workplaces. Each potential recipient must certify that it will comply with drug-free
8 workplace requirements in accordance with the Act and with HUD's rules at 2 CFR Part
9 2425.

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

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

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

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

17 ee. *Political Activities*: CDBG funds shall not be used to finance the use
18 of facilities or equipment for political purposes or to engage in other partisan political
19 activities, such as candidate forums, voter transportation, or voter registration subject to the
20 exceptions listed in 24 CFR 570.207(a)(3).

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

25 12. COOPERATION WITH COMMUNITY DEVELOPMENT ACTIVITIES.
26 CITY shall cooperate with COUNTY in undertaking essential community development and
27

1 housing assistance activities and shall assist COUNTY in carrying out its Strategic Plan of
2 the 2019-2024 Five Year Consolidated Plan and other requirements of the Community
3 Development Block Grant Program.

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

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

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

26 CITY'S obligation hereunder shall be satisfied when CITY has provided to COUNTY

1 the appropriate form of dismissal relieving COUNTY from any liability for the action or
2 claim involved.

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

7 In the event there is conflict between this clause and California Civil Code Section
8 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation
9 shall not relieve the CITY from indemnifying the Indemnitees to the fullest extent allowed
10 by law.

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

18 a. Workers' Compensation:

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

24 b. Commercial General Liability:

25 Commercial General Liability insurance coverage, including but not limited to,
26 premises liability, contractual liability, products and completed operations liability, personal
27

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

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

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

12 c. Vehicle Liability:

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

19 d. General Insurance Provisions - All lines:

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

25 (ii). The CITY must declare its insurance self-insured retentions. If any such
26 self-insured retentions exceed \$500,000 per occurrence, such retentions shall have the prior

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

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

26 (iv). It is understood and agreed to by the parties hereto that the CITY'S
27

1 insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or
2 deductibles and/or self-insured retention's or self-insured programs shall not be construed as
3 contributory.

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

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

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

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

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

24 17. PROGRAM INCOME. CITY, who is a subrecipient as defined in 24 CFR Part
25 570.500(c), shall not retain any program income as defined in 24 CFR 570.500. Any and all
26 program income shall be retained by the COUNTY pursuant to 24 CFR 570.504.

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

14 19. NONDISCRIMINATION. CITY shall abide by 24 CFR Sections 570.601 and
15 570.912 which require that no person in the United States shall on the ground of race, color,
16 religion, national origin, or sex, be excluded from participation in, be denied the benefits of,
17 or be subjected to discrimination under any program or activity funded in whole or in part
18 with CDBG funds.

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

21 "During the performance of this Agreement CITY and its subcontractors shall not
22 unlawfully discriminate against any employee or applicant for employment because of
23 race, religion, color, national origin, ancestry, physical disability, medical condition,
24 sex, sexual orientation, general identity marital status, veteran's status, age (over 40)
25 or sex. CITY and subcontractors shall insure that the evaluation and treatment of their
26 employees and applicants for employment are free of such discrimination. CITY and
27

1 subcontractors shall comply with the provisions of the Fair Employment and Housing
2 Act (California Government Code Section 12900 et seq.). The applicable regulations
3 of the Fair Employment and Housing Commission implementing California
4 Government Code Section 12990 et seq., set forth in Chapter 1 of Division 4.1 of Title
5 2 of the California Administrative Code are incorporated into this Agreement by
6 reference and made a part hereof as if set forth in full. CITY and its subcontractors
7 shall give written notice of their obligations under this clause to labor organizations
8 with which they have a collective bargaining or other agreement."

9 20. PROHIBITION AGAINST CONFLICTS OF INTEREST.

10 a. CITY and its assigns, employees, agents, consultants, officers and
11 elected and appointed officials shall become familiar with and shall comply with the Uniform
12 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
13 (2 CFR Part 200) and the CDBG regulations prohibiting conflicts of interest contained in 24
14 CFR 570.611.

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

18 c. No employee, officer or agent of the CITY shall participate in the
19 selection, or in the award, or administration of, a contract supported by Federal funds if a
20 conflict of interest, real or apparent, would be involved.

21 d. No covered persons who exercise or have exercised any functions or
22 responsibilities with respect to CDBG-assisted activities, or who are in a position to
23 participate in a decision-making process or gain inside information with regard to such
24 activities, may obtain a financial interest in any contract, or have a financial interest in any
25 contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with
26 respect to the proceeds from the CDBG-assisted activity, either for themselves or those with

1 whom they have business or immediate family ties, during their tenure or for a period of one
2 (1) year thereafter. For purposes of this paragraph, a “covered person” includes any person
3 who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee,
4 the CITY, or any designated public agency.

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

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

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

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

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

23 a. No federally appropriated funds have been paid or will be paid, by or on
24 behalf of the undersigned, to any person for influencing or attempting to influence an officer
25 or employee of any agency, a member of Congress, an officer or employee of Congress, or
26 an employee of a member of Congress in connection with the awarding of any federal

1 contract, the making of any federal grant, the making of any federal loan, the entering into
2 of any cooperative agreement, and the extension, continuation, renewal, amendment, or
3 modification of any federal contract, grant, loan, or cooperative agreement.

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

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

15 23. TERMINATION.

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

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

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

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

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

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

14 d. Reversion of Assets

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

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

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

26 (ii) Not used in accordance with Clause (i) above, in which

1 event the CITY shall pay to the COUNTY an amount equal to the current market value of
2 the property less any portion of the value attributable to expenditures of non-CDBG funds
3 for the acquisition of, or improvement to, the property.

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

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

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

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

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

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

- 26 • Above 80% MHI

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

- Total number and percentage of all clients at, or below, 80% MHI
- Racial ethnicity of clientele
- Number of Female-Headed Households

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

26. PRIOR COUNTY APPROVAL (CONSTRUCTION ACTIVITIES). CITY shall obtain COUNTY's written approval, through its Department of Housing and Workforce Solutions, 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, equipment or material furnished to the property, any person furnishing the same, or otherwise. CITY and all third parties shall rely upon its or their own judgment regarding such matters, and any review, inspection, supervision, exercise of judgment or information supplied to CITY or to any third party by the County in connection with such matter is for the public purpose of assisting with a community development and housing activity pursuant to the Act, and neither CITY (except for the purposes set forth in this Agreement) nor any

1 third party is entitled to rely thereon. The County shall not be responsible for any of the work
2 of construction, improvement, or development of the property.

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

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

18 28. REAL PROPERTY ACQUIRED OR PUBLIC FACILITY CONSTRUCTED
19 WITH CDBG FUNDS. When CDBG funds are used, in whole or in part, by CITY to acquire
20 real property or to construct a public facility, CITY will comply with the Uniform
21 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
22 (2 CFR Section 200.311); National Environmental Policy Act of 1969 (42 U.S.C.A. §4321,
23 et seq.); the California Environmental Quality Act (Cal. Pub. Resources Code §21000, et
24 seq.); the Uniform Relocation Assistance and Real Property Acquisition Policies Act of
25 1970, as amended (42 U.S.C. A. §4630, et seq.); and the COUNTY's Five Year Consolidated
26 Plan. In addition, the following is to occur:

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

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

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

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

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

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

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

26 29. ENTIRE AGREEMENT. This Agreement, including any attachments or

1 exhibits hereto constitutes the entire Agreement of the parties with respect to its subject
2 matter and supersedes all prior and contemporaneous representations, proposals, discussions
3 and communications, whether oral or in writing. No oral understanding or agreement not
4 incorporated herein shall be binding on any of the parties hereto. Each of the attachments
5 and exhibits attached hereto is incorporated herein by this reference.

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

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

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

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

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

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

25 36. INTERPRETATION AND GOVERNING LAW. This Agreement and any
26 dispute arising hereunder shall be governed by and interpreted in accordance with the laws of

1 the State of California. This Agreement shall be construed as a whole according to its fair
2 language and common meaning to achieve the objectives and purposes of the parties hereto,
3 and the rule of construction to the effect that ambiguities are to be resolved against the drafting
4 party shall not be employed in interpreting this Agreement, all parties having been represented
5 by counsel in the negotiation and preparation hereof.

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

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

16 39. AUTHORITY TO EXECUTE. The persons executing this Agreement or
17 exhibits attached hereto on behalf of the parties to this Agreement hereby warrant and
18 represent that they have the authority to execute this Agreement and warrant and represent
19 that they have the authority to bind the respective parties to this Agreement to the
20 performance of its obligations hereunder.

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

24 41. FORCE MAJEURE.

25 a. Performance by either party hereunder shall not be deemed to be in default
26 where delays or defaults are due to war, insurrection, strikes, lock-outs, riots, floods,

1 earthquakes, fires, casualties, acts of God, acts of the public enemy, epidemics, pandemics,
2 quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions
3 or priority, litigation, unusually severe weather, inability to secure necessary labor, material
4 or tools, delays of any contractor, sub-contractor or supplier, acts of the other party, acts or
5 failure to act of a public or governmental agency or entity, or any causes beyond the control
6 or without the fault of the party claiming an extension of time to perform.

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

17 42. MODIFICATION OF AGREEMENT. This Agreement may be modified or
18 amended only by a writing signed by the duly authorized and empowered representatives of
19 COUNTY and CITY, respectively.

20 43. DIGITAL AND ELECTRONIC SIGNATURES. The parties agree to the use
21 of electronic signatures, such as digital signatures that meet the requirements of the California
22 Uniform Electronic Transactions Act ((“CUETA”) Cal. Civ. Code §§ 1633.1 to
23 1633.17). The parties further agree that that the electronic signatures of the parties included
24 in this Agreement are intended to authenticate this writing and to have the same force and
25 effect as manual signatures. Electronic signature means an electronic sound, symbol, or
26 process attached to or logically associated with an electronic record and executed or adopted

1 by a person with the intent to sign the electronic record pursuant to the CUETA as amended
2 from time to time. The CUETA authorizes use of an electronic signature for transactions and
3 contracts among parties in California, including a government agency. Digital signature
4 means an electronic identifier, created by computer, intended by the party using it to have the
5 same force and effect as the use of a manual signature, and shall be reasonably relied upon by
6 the parties. For purposes of this section, a digital signature is a type of "electronic signature"
7 as defined in subdivision (i) of Section 1633.2 of the Civil Code.


8
9
10
11
12
13
14 [Remainder of Page Intentionally Blank]

15 [Signatures on Following Page]
16
17
18
19
20
21
22
23
24
25
26
27

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

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

CITY OF BANNING,
a general law city


6 BY: 
7 V. Manuel Perez, Chair
8 Board of Supervisors

BY: Robert Fisher
Lt. Robert Fisher,
Acting City Manager

9 Date: MAY 20 2025

Date: Apr 17, 2025

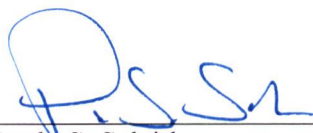
10
11 ATTEST: Kimberly A Rector, Clerk

12 BY: 
13 Deputy

BY: Sandra Calderon
City Clerk

14
15
16
17 APPROVED AS TO FORM:

18
19 Minh C. Tran,
20 COUNTY COUNSEL

21 By: 
22 Paula S. Salcido,
23 Deputy County Counsel
24

City of Banning 2021-2022 Amended and Restated Supplemental Agreement with Exhibits

Final Audit Report

2025-04-21

Created:	2025-04-17
By:	Ralph Wright (rwright@banningca.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAOUSwhjotIWdk70EAzcyafZZ3hSPY1hnZ

"City of Banning 2021-2022 Amended and Restated Supplemental Agreement with Exhibits" History

-  Document created by Ralph Wright (rwright@banningca.gov)
2025-04-17 - 9:11:22 PM GMT
-  Document emailed to Robert Fisher (rfisher@banningca.gov) for signature
2025-04-17 - 9:13:16 PM GMT
-  Email viewed by Robert Fisher (rfisher@banningca.gov)
2025-04-17 - 9:16:34 PM GMT
-  Document e-signed by Robert Fisher (rfisher@banningca.gov)
Signature Date: 2025-04-17 - 9:18:00 PM GMT - Time Source: server
-  Document emailed to Sandra Calderon (scalderon@banningca.gov) for signature
2025-04-17 - 9:18:02 PM GMT
-  Email viewed by Sandra Calderon (scalderon@banningca.gov)
2025-04-17 - 10:35:20 PM GMT
-  Document e-signed by Sandra Calderon (scalderon@banningca.gov)
Signature Date: 2025-04-21 - 6:24:24 PM GMT - Time Source: server
-  Agreement completed.
2025-04-21 - 6:24:24 PM GMT

AMENDED AND RESTATED SUPPLEMENTAL AGREEMENT**Amended Exhibit B****SCOPE OF WORK****(NON-PUBLIC SERVICE)****I. GENERAL INFORMATION**CITY NAME: City of Banning UEI #: F996EVLRCRG3ADDRESS: 99 East Ramsey StreetBanning, CA 92220PROGRAM CONTACTS: Ralph Wright, Parks and Recreation DirectorPHONE: (951) 922-3242 FAX: _____E-MAIL: rwright@banningca.govPROJECT NAME: Lion's Park ProjectPROJECT LOCATION: 955 S. Hargrave Street, Banning, CA 92220LEVEL OF ENVIRONMENTAL CLEARANCE: Categorical ExclusionCDBG ELIGIBILITY CODE: 570.201 (c)PROJECT FUNDING SUMMARY: **\$45,000**Project to be administered by County (HHPWS) on behalf of City: YES ☐ NO ☒**II. SCOPE OF SERVICE****A. Activities**

The City will be responsible for administering a **2021-2022** Community Development Block Grant for the **Lion's Park Project** in a manner satisfactory to the County of Riverside and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

Activity #1 *The City of Banning will use CDBG funds for improvements at Lion's Park. Improvements include the removal of the existing chain and post fencing and the installation of safe, vinyl fencing along the perimeter of the park. Eligible CDBG expenses will include design, construction, project management, compliance monitoring, and other related activities.*

B. National Objective

All activities funded with CDBG funds must comply with one of the CDBG program's National Objective Criteria as required under 24 CFR 570.200(a)(2). The 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 *Removal of chain*

Activity #2 *Design, implement, construction, and project improvements at Lion Park.*

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 **\$45,000**. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in this Section and in accordance with performance. Payments may be contingent upon certification of the Subrecipient's financial management system in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200).

The County may require a more detailed budget breakdown than the one contained herein, and the 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			
Project Administration Costs	X			
Construction Costs	X			
Acquisition Costs				
Relocations Costs				
Capital Equipment Costs				
Code Enforcement				
Clearance				
Interim Assistance				
Indirect Costs: Removal and installation	X			
TOTAL CDBG BUDGET	\$45,000		\$45,000	

G. Total Amount of Non- CDBG Leveraging

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

TOTAL: \$0

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	July 2021	July 2020
Implement Project Activities	Upon Notification from HWS	
Execute Supplemental Agreement & Notice to Incur Cost	October 2021	November 2021
<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Submit Quarterly Performance Reports to County	October 2021	Through July 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

The city must follow proper procurement and construction policies and procedures of the City and CDBG regulations. No construction shall commence using CDBG funding without prior Notice to Proceed. Pre-construction meeting required. The 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.

AMENDED AND RESTATED SUPPLEMENTAL AGREEMENT
Amended Exhibit C
SCOPE OF WORK
(NON-PUBLIC SERVICE)

I. GENERAL INFORMATION

CITY NAME: City of Banning UEI #: F996EVLRCRCG3

ADDRESS: 99 East Ramsey Street
Banning, CA 92220

PROGRAM CONTACTS: Ralph Wright, Park and Recreation Director

PHONE: (951) 922-3130 FAX:

E-MAIL: rwright@banningca.gov

PROJECT NAME: Roosevelt Williams Park Project

PROJECT LOCATION: 1104 East George Street, Banning, CA 92220

LEVEL OF ENVIRONMENTAL CLEARANCE: Categorical Exclusion

CDBG ELIGIBILITY CODE: 570.201 (c)

PROJECT FUNDING SUMMARY: **\$20,400**

Project to be administered by County (HHPWS) on behalf of City: YES ☐ NO ☒

II. SCOPE OF SERVICE

A. Activities

The City will be responsible for administering a **2021-2022** Community Development Block Grant for the **Roosevelt Williams Park Project** in a manner satisfactory to the County of Riverside and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

Activity #1 *The City of Banning will use CDBG funds for construction improvements at Roosevelt Williams Park. Improvements will include the installation of vinyl fencing along the south border of the north parking lot. CDBG funds will be used for the purchase of materials, installation costs, project management, compliance monitoring, and other related activities.*

B. National Objective

All activities funded with CDBG funds must comply with one of the CDBG program's National Objective Criteria as required under 24 CFR 570.200(a)(2). The 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: *Installation of vinyl fencing along the south border of the north parking lot.*

Activity #2: *Implements materials and installation 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 **\$20,400**. 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				
Project Administration Costs				
Construction Costs	X			
Acquisition Costs	X			
Relocations Costs				
Capital Equipment Costs				
Code Enforcement				
Clearance				
Interim Assistance				
Indirect Costs:				
TOTAL CDBG BUDGET	\$20,400			

G. Total Amount of Non-CDBG Leveraging

TYPE	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	TOTAL
FEDERAL							
STATE/LOCAL							
PRIVATE							
OTHER							
TOTAL: \$0							

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	July 2021	July 2020
Implement Project Activities	Upon Notification from HWS	
Execute Supplemental Agreement & Notice to Incur Cost	September 2021	September 2020
<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Submit Quarterly Performance Reports to County	October 2021	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 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

The City must follow proper procurement and construction policies and procedures of the City and CDBG regulations. No construction 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.

AMENDED AND RESTATED SUPPLEMENTAL AGREEMENT**Amended Exhibit D****SCOPE OF WORK****(NON-PUBLIC SERVICE)****I. GENERAL INFORMATION**CITY NAME: City of Banning UEI #: F996EVLRCRG3ADDRESS: 99 East Ramsey StreetBanning, CA 92220PROGRAM CONTACTS: Ralph Wright, Park and Recreation DirectorPHONE: (951) 922-3130 FAX: _____E-MAIL: rwright@banningca.govPROJECT NAME: Sylvan Park Improvement ProjectPROJECT LOCATION: 2798 W. George Street, Banning, CA 92220LEVEL OF ENVIRONMENTAL CLEARANCE: Categorical ExclusionCDBG ELIGIBILITY CODE: 570.201 (c)PROJECT FUNDING SUMMARY: **\$155,016**Project to be administered by County (HWS) on behalf of City: YES ☐ NO ☒**II. SCOPE OF SERVICE****A. Activities**

The City will be responsible for administering a **2021-2022** Community Development Block Grant for the **Sylvan Park Improvement Project** in a manner satisfactory to the County of Riverside and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

- Activity #1 *The City of Banning will use CDBG funding for the design and construction of improvements at Sylvan Park. Renovations include the replacement of a picnic shelter, installation of picnic tables, resurfacing of two basketball courts with safety surfacing, and repairing of the roof structure at the entry arches off Nicolet Street. Eligible CDBG expenses will include design, construction, project management, compliance monitoring, and other related activities.*

B. National Objective

All activities funded with CDBG funds must comply with one of the CDBG program's National Objective Criteria as required under 24 CFR 570.200(a)(2). The 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: Replacement of a picnic shelter, installation of picnic tables, resurfacing of two basketball courts with safety surfacing, and repairing of the roof structure on the entry arches off Nicolet Street.

Activity #2 Design, construction, project management, compliance monitoring, and other related activities.

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 **\$155,016**. 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			
Project Administration Costs	X			
Construction Costs	X			
Acquisition Costs				
Relocations Costs				
Capital Equipment Costs				
Code Enforcement				
Clearance				
Interim Assistance				
Indirect Costs: Other Related Expenses	X			
TOTAL CDBG BUDGET	\$155,016			

G. Total Amount of Non-CDBG Leveraging

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

TOTAL: \$0

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	July 2021	July 2020
Implement Project Activities	Upon Notification from HWS	
Execute Supplemental Agreement & Notice to Incur Cost	September 2021	September 2020
<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Submit Quarterly Performance Reports to County	October 2021	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 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.

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

Signature: Robert Fisher
Robert Fisher (Apr 17, 2025 14:18 PDT)

Email: rfisher@banningca.gov

Signature: Sandra Calderon

Email: scalderon@banningca.gov

ATTACHMENT A

Project: 5.BN.53-21 Sylvan Park Improvement Project
Eligibility: 03F Public Facilities 570.201 (c)
Sponsor: City of Banning
Address: 99 East Ramsey Street, Banning, CA 92220

Funding: \$155,016

Project Description: The City of Banning will use CDBG funding for the design and construction of improvements at Sylvan Park. Renovations include the replacement of a picnic shelter, installation of picnic tables, resurfacing of two basketball courts with safety surfacing, and repairing of the roof structure at the entry arches off Nicolet Street. Eligible CDBG expenses will include design, construction, project management, compliance monitoring, and other related activities.

Site Location: 2798 W. George Street, Banning, CA 92220
Census Tract: 441.02 BG 1
Benefit: 570.208 (a)(1)(i)
Number Served: 2,940

ATTACHMENT B

Project: 5.BN.59-22 Lion's Park Project II
Eligibility: 03F Public Facilities 570.201 (c)
Sponsor: City of Banning
Address: 99 East Ramsey Street, Banning, CA 92220

Funding: \$363,207.37

Project Description: The City of Banning will use CDBG funds for improvements at Lions Park. Improvements include re-design and replacing the aging irrigation system and fencing on the fields. Eligible CDBG expenses will include design, construction, project management, compliance monitoring, and other related activities.

Site Location: 955 South Hargrove, Banning, CA 92220
Census Tract: 443 BG 1; 443 BG 2; 441.01 BG 1; 441.01 BG 2; 442 BG 2
Benefit: 570.208 (a)(1)(i)
Number Served: 9,435

ATTACHMENT C

Project: 5.BEA.51-24 Pedestrian Sidewalk Safety Improvements Project Phase II
Eligibility: 03L Public Facilities 570.201 (c)
Sponsor: City of Beaumont
Address: 550 E. 6th Street, Beaumont, CA 92223

Funding: \$269,636.66

Project Description: The City of Beaumont will use CDBG funds to continue sidewalk improvements to improve pedestrian safety. Improvements include, but are not limited to, lighting, sidewalk installation, and curb and gutter repairs. CDBG funds will be used for design and engineering, construction, project management, and other related costs.

Site Location: Elm Ave 6th to 10th St. through Massachusetts Ave. within Beaumont, CA 92223
Census Tract: 440 BG 1
Benefit: 570.208 (a)(1)(i)
Number Served: 1,420

**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 10th Street, Suite 300
Riverside, CA 92501

Project Title: Substantial Amendments to the 2021-2022 and 2022-2023 One Year Action Plans of the 2019-2024 Five Year Consolidated Plan and 2024-2025 One Year Action Plan of the 2024-2029 Five Year Consolidated Plan to amend 5.BN.53-21 Sylvan Park Improvement Project, 5.BN.59-22 Lion's Park Project II, and 5.BEA.51-24 Pedestrian Sidewalk Safety Improvement Project Phase II

Grant No.: B-21-UC-06-0506, B-22-UC-06-0506 and B-24-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 2021-2022 and 2022-2023 One Year Action Plans of the 2019-2024 Five Year Consolidated Plan and 2024-2025 One Year Action Plan of the 2024-2029 Five Year Consolidated Plan for the HUD-funded CDBG program.

Project Location: Riverside County


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

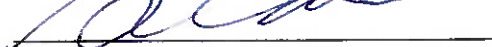
CALIFORNIA ENVIRONMENTAL QUALITY ACT

Project Description: The project, the Substantial Amendments to the 2021-2022 and 2022-2023 One Year Action Plans of the 2019-2024 Five Year Consolidated Plan and 2024-2025 One Year Action Plan of the 2024-2029 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: **April 11, 2025**
Blanca Higuera, CDBG Program Manager

Certifying Officer:  Date: **April 11, 2025**
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 2021-2022 and 2022-2023 One Year Action Plans of the 2019-2024 Five Year Consolidated Plan and 2024-2025 One Year Action Plan of the 2024-2029 Five Year Consolidated Plan to amend 5.BN.53-21 Sylvan Park Improvement Project, 5.BN.59-22 Lion's Park Project II, and 5.BEA.51-24 Pedestrian Sidewalk Safety Improvement Project Phase II

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 Substantial Amendments to the 2021-2022 and 2022-2023 One Year Action Plans of the 2019-2024 Five Year Consolidated Plan and 2024-2025 One Year Action Plan of the 2024-2029 Five Year Consolidated Plan for the HUD-funded CDBG programs.

Address: **3403 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 environmentally conditions and are limited to protection, repair, or restoration activities necessary only to control or arrest the effects of 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 24CFR58.6 (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.

Blanca Higuera, Program Manager,
Preparer Name & Title (please print)

 4/14/2025
Preparer Signature Date

Susana Orozco, Principal Development Specialist
Responsible Entity Name & Title

 4/14/2025
Responsible Entity Signature Date

Notice of Public Comment Period
Substantial Amendment of the 2021-2022 and 2022-2023 One Year Action Plans
of the 2019-2024 Five-Year Consolidated Plan and 2024-2025 One Year Action Plan
of the 2024-2029 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 2021-2022 and 2022-2023 One Year Action Plans of the 2019-2024 Consolidated Plan and 2024-2025 One Year Action Plan of the 2024-2029 Consolidated Plan by the following actions:

2021-2022 One Year Action Plan

5.BN.53-21 Sylvan Park Improvement Project	\$155,016.00	Increase CDBG Funding
--	--------------	-----------------------

2022-2023 One Year Action Plan

5.BN.59-22 Lion's Park Project II	\$363,207.37	Increase CDBG Funding
-----------------------------------	--------------	-----------------------

2024-2025 One Year Action Plan

5.BEA.51-24 Pedestrian Sidewalk Safety Improvement Project Phase II	\$269,636.66	Increase CDBG Funding
---	--------------	-----------------------

A determination regarding the proposed amendment to the 2021-2022 and 2022-2023 One Year Action Plans of the 2019-2024 Five Year Consolidated Plan and 2024-2025 One Year Action Plan of the 2024-2029 Five Year Consolidated Plan has been scheduled on or about May 20, 2025, 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. Both oral and written comments for all the above items must be received no later than 4:00 PM on May 19, 2025.

Input and comments can also be received by the U.S. Department of Housing and Urban Development, CPD Division at CPDLA@hud.gov. Comments or objections received after May 19, 2025, 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://rivcocob.org/web-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. 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.igm2.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.

Aviso del Período de Comentarios Públicos
Modificación sustancial de los planes de acción unianuales 2021-2022 y 2022-2023
del Plan Quinquenal Consolidado 2019-2024 y de los Planes de Acción y 2024-2025
del Plan Quinquenal Consolidado 2024-2029

El Condado de Riverside notifica a los miembros del público interesados, de conformidad con 24 CFR 91.105, 24 CFR 91.505 y el Plan de Participación Ciudadana del Condado, de su intención de modificar los Planes de Acción de un Año 2021-2022 y 2022-2023 del Plan Consolidado 2019-2024 y el Plan de Acción de un Año 2024-2025 del Plan Consolidado 2024-2029 mediante las siguientes acciones:

2021-2022 Plan de acción de un año

5.BN.53-21 Sylvan Park Improvement Project	\$155,016.00	Aumentar los fondos de CDBG
--	--------------	-----------------------------

2022-2023 Plan de acción de un año

5. BN.59-22 Lion's Park Project II	\$363,207.37	Aumentar los fondos de CDBG
------------------------------------	--------------	-----------------------------

2024-2025 Plan de acción de un año

5.BEA.51-24 Pedestrian Sidewalk Safety Improvement Project Phase II	\$269,636.66	Aumentar los fondos de CDBG
---	--------------	-----------------------------

Se ha programado una determinación con respecto a la enmienda propuesta a los Planes de Acción de un Año 2021-2022 y 2022-2023 del Plan Consolidado de Cinco Años 2019-2024 y el Plan de Acción Anual 2024-2025 del Plan Consolidado de Cinco Años 2024-2029 el 20 de mayo de 2025 o alrededor de esa fecha, en la reunión de la Junta de Supervisores del Condado de Riverside, ubicada en 4080 Lemon Street, Riverside, California.

Cualquier persona interesada en proporcionar comentarios u obtener información adicional sobre esta Enmienda Sustancial del Plan Consolidado puede hacerlo comunicándose con el Departamento de Vivienda y Soluciones para la Fuerza Laboral en 3403 Tenth Street, Suite 300, Riverside, CA, 92501, (951) 955-1161, RivCoCDBG@rivco.org. Los comentarios orales y escritos de todos los puntos anteriores deben recibirse a más tardar a las 4:00 p. m. del 19 de mayo de 2025.

Los comentarios y sugerencias también pueden ser recibidos por el Departamento de Vivienda y Desarrollo Urbano de los Estados Unidos, División de CPD en CPDLA@hud.gov. Los comentarios u objeciones recibidos después del 19 de mayo de 2025 no serán considerados por HUD.

Cualquier público que solicite llamar para hablar sobre un tema o durante la Recepción de Comentarios Públicos debe registrarse primero en el sitio web del Secretario de la Junta en: <https://rivcocob.org/web-comments>, con 24 horas de anticipación. Una vez registrado, se proporcionará más información. Llame antes de las 9:00 a.m. de la fecha de la reunión. El público también puede enviar comentarios para la reunión de la Junta de Supervisores enviando un correo electrónico al Secretario de la Junta a cob@rivco.org. Tenga en cuenta que si no participa en la reunión, no es necesario que se registre. Puede ver la reunión en el sitio web del Secretario de la Junta en <http://riversidecountyca.igm2.com/citizens/default.aspx>

El Condado de Riverside se compromete a hacer que sus reuniones públicas sean accesibles para las personas con discapacidades. De conformidad con la Ley de Estadounidenses con Discapacidades (ADA), todas las reuniones públicas del Condado se llevan a cabo en lugares accesibles. Además, el Condado proporcionará ayudas o servicios auxiliares y materiales en formatos alternativos, incluidos servicios de intérprete a pedido y sin costo alguno. Para solicitar estos servicios, comuníquese con la

oficina del Secretario de la Junta al menos 72 horas antes de la reunión al (951) 955-1069 entre las 8:00 a.m. y las 5:00 p.m., de lunes a viernes. En la medida de lo posible, se atenderán las solicitudes posteriores.



INTERIM AD DRAFT

This is the proof of your ad scheduled to run in **The Press-Enterprise** on the dates indicated below.
If changes are needed, please contact us prior to deadline at **(951) 368-9229**.

Notice ID: e8OvTwq8ZRO6JhPkhkhi | **Proof Updated: Apr. 11, 2025 at 08:26am PDT**
Notice Name: CDBG Substantial Amendment 41025

See Proof on Next Page

FILER

Nicholas Fonosch
nfonosch@rivco.org
(951) 955-5936

FILING FOR

The Press-Enterprise

Columns Wide: 4

Ad Class: Legals

04/16/2025: County Notices

730.17

Subtotal \$730.17

Tax % 0

Total \$730.17

Notice of Public Comment Period

Substantial Amendment of the 2021-2022 and 2022-2023 One Year Action Plans of the 2019-2024 Five-Year Consolidated Plan and 2024-2025 One Year Action Plan of the 2024-2029 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 2021-2022 and 2022-2023 One Year Action Plans of the 2019-2024 Consolidated Plan and 2024-2025 One Year Action Plan of the 2024-2029 Consolidated Plan by the following actions:

2021-2022 One Year Action Plan

5.BN.53-21 Sylvan Park

Improvement Project

\$155,016.00

Increase CDBG Funding

2022-2023 One Year Action Plan

5.BN.59-22 Lion's Park Project II

\$363,207.37

Increase CDBG Funding

2024-2025 One Year Action Plan

5.BEA.51-24 Pedestrian Sidewalk Safety Improvement Project Phase II

\$269,636.66

Increase CDBG Funding

A determination regarding the proposed amendment to the 2021-2022 and 2022-2023 One Year Action Plans of the 2019-2024 Five Year Consolidated Plan and 2024-2025 One Year Action Plan of the 2024-2029 Five Year Consolidated Plan has been scheduled on or about May 20, 2025, 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, RlvCoCDBG@rlvco.org. Both oral and written comments for all the above items must be received no later than 4:00 PM on May 19, 2025.

Input and comments can also be received by the U.S. Department of Housing and Urban Development, CPD Division at CPDLA@hud.gov. Comments or objections received after May 19, 2025, 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://rlvcocob.org/web-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@rlvco.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.lqm2.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.

The Press-Enterprise

Published: 4/16/25



INTERIM AD DRAFT

This is the proof of your ad scheduled to run in **The Press-Enterprise** on the dates indicated below.
If changes are needed, please contact us prior to deadline at **(951) 368-9229**.

Notice ID: eFDRDp71sNskK9jKjJ4 | **Proof Updated: Apr. 11, 2025 at 08:30am PDT**
Notice Name: CDBG Substantial Amendment 41025

See Proof on Next Page

FILER

Nicholas Fonosch
nfonosch@rivco.org
(951) 955-5936

FILING FOR

The Press-Enterprise

Columns Wide: 4

Ad Class: Legals

04/16/2025: County Notices

761.97

Subtotal \$761.97

Tax % 0

Total \$761.97

Aviso del Período de Comentarios Públicos

Modificación sustancial de los planes de acción unianuales 2021-2022 y 2022-2023 del Plan Quinquenal Consolidado 2019-2024 y de los Planes de Acción y 2024-2025 del Plan Quinquenal Consolidado 2024-2029

El Condado de Riverside notifica a los miembros del público interesados, de conformidad con 24 CFR 91.105, 24 CFR 91.505 y el Plan de Participación Ciudadana del Condado, de su intención de modificar los Planes de Acción de un Año 2021-2022 y 2022-2023 del Plan Consolidado 2019-2024 y el Plan de Acción de un Año 2024-2025 del Plan Consolidado 2024-2029 mediante las siguientes acciones:

2021-2022 Plan de acción de un año

5.BN.53-21 Sylvan Park

\$155,016.00

Aumentar los fondos de CDBG

Improvement Project

2022-2023 Plan de acción de un año

5. BN.59-22 Lion's Park Project II

\$363,207.37

Aumentar los fondos de CDBG

2024-2025 Plan de acción de un año

5.BEA.51-24 Pedestrian Sidewalk Safety Improvement Project Phase II

\$269,636.66

Aumentar los fondos de CDBG

Se ha programado una determinación con respecto a la enmienda propuesta a los Planes de Acción de un Año 2021-2022 y 2022-2023 del Plan Consolidado de Cinco Años 2019-2024 y el Plan de Acción Anual 2024-2025 del Plan Consolidado de Cinco Años 2024-2029 el 20 de mayo de 2025 o alrededor de esa fecha, en la reunión de la Junta de Supervisores del Condado de Riverside, ubicada en 4080 Lemon Street, Riverside, California.

Cualquier persona interesada en proporcionar comentarios u obtener información adicional sobre esta Enmienda Sustancial del Plan Consolidado puede hacerlo comunicándose con el Departamento de Vivienda y Soluciones para la Fuerza Laboral en 3403 Tenth Street, Suite 300, Riverside, CA, 92501, (951) 955-1161, RivCoCDBG@rivco.org. Los comentarios orales y escritos de todos los puntos anteriores deben recibirse a más tardar a las 4:00 p. m. del 19 de mayo de 2025. Los comentarios y sugerencias también pueden ser recibidos por el Departamento de Vivienda y Desarrollo Urbano de los Estados Unidos, División de CPD en CPDLA@hud.gov. Los comentarios u objeciones recibidos después del 19 de mayo de 2025 no serán considerados por HUD.

Cualquier público que solicite llamar para hablar sobre un tema o durante la Recepción de Comentarios Públicos debe registrarse primero en el sitio web del Secretario de la Junta en: <https://rivcocob.org/web-comments>, con 24 horas de anticipación. Una vez registrado, se proporcionará más información. Llame antes de las 9:00 a.m. de la fecha de la reunión. El público también puede enviar comentarios para la reunión de la Junta de Supervisores enviando un correo electrónico al Secretario de la Junta a cob@rivco.org. Tenga en cuenta que si no participa en la reunión, no es necesario que se registre. Puede ver la reunión en el sitio web del Secretario de la Junta en <http://riversidecountyca.lam2.com/citizens/default.aspx>

El Condado de Riverside se compromete a hacer que sus reuniones públicas sean accesibles para las personas con discapacidades. De conformidad con la Ley de Estadounidenses con Discapacidades (ADA), todas las reuniones públicas del Condado se llevan a cabo en lugares accesibles. Además, el Condado proporcionará ayudas o servicios auxiliares y materiales en formatos alternativos, incluidos servicios de intérprete a pedido y sin costo alguno. Para solicitar estos servicios, comuníquese con la oficina del Secretario de la Junta al menos 72 horas antes de la reunión al (951) 955-1069 entre las 8:00 a.m. y las 5:00 p.m., de lunes a viernes. En la medida de lo posible, se atenderán las solicitudes posteriores.

The Press-Enterprise

Published: 4/16/25