

**EXHIBIT A  
SAMPLE CONTRACT  
DO NOT EXECUTE**

CFDA: 14.218

Subrecipient Contract  
Contract No. XXXXXXXXXX  
Housing Services Projects

This subrecipient contract is between the City of Portland, acting by and through its Portland Housing Bureau, hereafter called "City" and Housing Development Center (HDC), hereafter called "Subrecipient" for the provision of technical assistance.

**1. Effective Date and Duration**

This contract shall become effective on July 1, 2011. This contract shall terminate on June 30, 2012.

**2. Contract Manager**

Each party has designated a contract manager to be the formal representative for this project. All reports, notices, and other communications required under or relating to this subrecipient contract shall be directed to the appropriate individual identified below. The City contract manager is authorized to approve work and billings hereunder, to give notices referred to herein, to terminate the Contract as provided herein, and to approve all changes except those that increase the total contract amount.

<u>PHB</u>	<u>Subrecipient</u>
Contract Manager: John Warner	Contract Manager: Robin Boyce
421 SW Sixth Ave., Suite 500	847 NE 19 <sup>th</sup> Ave., Ste 150
Portland, OR 97204	Portland, OR 97232
(503) 823-3240	503-335-3668
(503) 823-2387 (fax)	503-335-0475 (fax)
john.warner@portlandoregon.gov	robin@hdc1.org
	EEO expiration date: 12/31/2010
	Business License No.: 440216

**3. Scope of Services**

The statement of work is contained in Section I.

**4. Compensation**

The amount of compensation shall not exceed \$150,000 in the City's FY 2011-12 CDBG Funds. The compensation requirements are contained in Section V.

**5. Reporting**

The Reporting requirements are contained in Section III. Final invoice and report are due **July 11, 2012**.

**6. Funding**

This subrecipient contract is paid fully with funding from the U.S. Housing and Urban Development Department (HUD).

7. List of Exhibits

The following Exhibits are attached hereto and incorporated by reference into this contract:

<u>Document</u>	<u>Description</u>	<u>No. of Pages</u>
Exhibit A	Beneficiary Data Report	1
Exhibit B	Contract Budget	1
Exhibit C	Payment Invoice	1

I. Scope of Work

## A. Affordable Housing and Asset Management Activities

During the term of this Contract the Subrecipient will provide technical services to nonprofit developers of CDBG and/or HOME eligible affordable housing projects in alignment with PHB's objectives of increasing 0-50% MFI rental housing, increasing minority homeownership, and achieving the City's 10-Year Plan to End Homelessness, including:

1. Project feasibility assessments: Determine financial and development feasibility of affordable housing development projects. The scope of these projects should be limited until such point as the developer can provide evidence of site control.
2. Financial packaging: Prepare grant and loan applications for project financing.
3. Construction management services: Oversee development of rehabilitation and or eligible new construction designs and specifications, assist with the solicitation and selection and negotiations with architects, general contractors and other necessary consultants, and oversee construction work.
4. Evaluation: Evaluate eligible projects for potential rehab needs and develop refinancing plans as required to accomplish needed rehabilitation, as well as financial packaging and construction management services for such eligible projects.
5. Asset management: Develop asset management plans, compliance systems, capital needs/improvement plans, refinance and rehab proposals, and review public policy related to the long-term asset management of projects funded with CDBG and/or HOME funds.
6. The Subrecipient will complete its current Streamlining Compliance Initiative Pilot Project work plan to develop a coordinated property inspection and reporting system for affordable housing owners. The Pilot Project will test new report contents, shared inspections, and shared compliance reviews across eight agencies, including the City of Portland and outline steps for full implementation of the combined program.

## B. Policy and Planning Activities

1. During the term of this contract, the Subrecipient will assist the City of Portland in the development of public policy relating to affordable housing developed utilizing CDBG, HOME, or other public funds.
2. The Subrecipient will provide technical assistance, based on knowledge and understanding of individual projects and/or portfolios of projects owned by nonprofit organizations, to City staff in evaluating and planning activities and systems related to asset management of the City's subsidized housing portfolio.

3. Subrecipient will provide industry support to promote sound asset management practices, including trainings and support of nonprofit asset management industry working groups or committees.
4. The Subrecipient will assist in identifying properties and assist owners in evaluating the feasibility of acquisition and rehabilitation of HUD Expiring Use and LIHTC Year-15 Properties (affordable housing properties that are reaching the end of their rent subsidy contracts). Work may include assistance to City in development of program or strategies to address barriers to preservation of these properties such as identification of predevelopment funding or obtaining rent subsidy renewals.
5. The Subrecipient will provide technical services to the Pathways to Sustainability Initiative, specifically with regard to issues relating to developer fees, net cash flow splits, and underwriting policies.
6. The Subrecipient will provide staffing for various green building City and State committees and work to align standard across working groups. Subrecipient will work to investigate whether carbon emission fee structures could support affordable housing rather than adding an additional cost to nonprofit developers.
7. The Subrecipient will facilitate Oregon Opportunity Network's Minority Homeownership Development best practices working group.
8. Work categorized under the HUD-specified Planning line item for policy and planning activities, and not specifically eligible for funding under other HUD categories, will not exceed \$60,000.

## II. Eligibility of Activities

- A. For client-specific projects, the Subrecipient will document each project file with a determination of CDBG and/or HOME eligibility for each project assisted under this contract. The City must pre-approve all determinations for public facility or new construction projects before services are provided.
- B. Funding Framework: Funding is provided to defray a portion of the cost of providing services for eligible client projects. The Subrecipient will maintain cost center based accounting records of all costs incurred in providing services for such. Fees paid through this Agreement offset the costs of providing services for eligible project costs. In the event that the combination of funds provided through this contract and program/client fee income generated through provision of services for eligible projects which are collected during the contract period exceeds costs incurred in the provision of services to eligible projects during the contract period, HDC shall consider a pro rata share of the excess funds to be restricted to meet the costs of services for eligible projects in subsequent years. The pro rata share of excess funds shall be equal to the proportion which PHB contract funds comprise of total costs of providing services for eligible projects.

## III. Accountability and Reporting

- A. For client-specific projects, the Subrecipient will negotiate agreements with nonprofit clients which identify services to be performed, timelines for performance, compensation and other terms and conditions. Such agreements will notify recipients of services that such services may be subsidized by the contract.

- B. The Subrecipient will provide the following reports to the City:
1. The Subrecipient will prepare a narrative Progress Report describing the overall status of the Housing Development Center and describe organizational development activities, summarize case load, and describe any significant operational or budget issues.
  2. The Subrecipient will provide information about all projects included in the PHB eligible cost center accounting records, including:
    - Project specific information, including client name, project name and address, project type (structure and activity, e.g. single family rehab), nature of technical services provided.
    - Subrecipient will provide information on the number of units in the project and the number projected to serve low/moderate households. For rehab projects this will include the number of units before and after rehab, and the number occupied and vacant before rehab.
    - Subrecipient will also provide reports on the demographic features of households occupying the units after completion: income (less than 30%, 50% or 80% of median income); ethnicity of the head of household; sex of head of household; elderly households.
    - In addition to program totals Subrecipient will provide data for both geographic reporting areas and focus areas specified by the Portland Housing Bureau.
    - Subrecipient will provide completion reports for any project, which does not have PDC or HAP financing.
  3. Subrecipient will submit these reports quarterly, no later than 30 days after the end of each calendar quarter. Progress Reports will be submitted for each quarter in which Subrecipient receives funding from this contract. Project Reports will be submitted until each project assisted is complete and initially occupied by low or moderate-income households.
- C. Subrecipient will complete an agency audit, which complies with OMB Circular A-133. Subrecipient shall submit two copies of the audit to the City Project Manager within 30 days of its completion.
- D. In any informational material or publicity developed by the Subrecipient, the Subrecipient will acknowledge the funding participation of the City through the Portland Housing Bureau.

#### IV. Performance Measures

##### A. Outputs:

1. Housing Development:  
HDC's projected housing technical assistance outputs for FY 2010-11 (including PHB eligible projects) are:
  - Number of PHB eligible projects to be assisted: 5
  - Number of units under development during 2010-11: 341.
  - Number of nonprofits to be assisted: 5
2. Asset Management:
  - Facilitate PAMWG, including six forums and six peer group sessions

- Complete Phase Two of Streamlining Compliance Initiative (Pilot Project)
- 3. Minority Homeownership
  - Facilitate two industry support days and a minimum of four forums.

B. Outcomes:

1. HDC will enable client organizations to meet changing staffing demands or augment specific areas of development expertise needed on large or complex projects.
2. HDC will assist owners in technical areas such as LIHTC, New Market Tax Credits and construction management of complex project to reduce risk to nonprofit organizations and increase lender and investor confidence and participation in transactions.
3. HDC's staff will provide the specialized skills to facilitate continued strengthening of client organizations. Standard services will include helping clients determine project feasibility and outlining financial, site or other risk areas for their evaluation and decision making.
4. HDC's staff will help clients analyze sustainable building practices and leverage additional funding sources to support these practices.
5. HDC will assist clients, as needed, to comply with Uniform Relocation and Acquisition Act and/or City relocation requirements on eligible projects.
6. HDC will help clients prepare real estate schedules of assets and other information on organizational strength and portfolio performances as necessary, to increase clients' ability to attract private lender and investor participation.
7. HDC will continue to utilize and develop innovative methods for construction and financing – methods that conserve costs while resulting in high-quality housing and livable communities.
8. HDC will continue to use its expertise to advocate for development and preservation of affordable housing, and for effective public policies to facilitate this development.
9. HDC will assist clients to locate and acquire projects that further their organizations' missions.
10. HDC will provide clients with services to assess and address asset management needs so that they can improve the performance of their current portfolios.
11. HDC will help clients develop asset management systems to increase organizational sustainability through improved cash flow from projects.
12. HDC will continue to participate in presentations, work sessions and other policy and program development activities to support the implementation of PSH units, including integrating lessons learned from earlier PSH developments.
13. HDC will help facilitate changes to asset management systems on an industry-wide basis to increase efficiency and effectiveness of nonprofit and governmental asset management programs.
14. Ultimately, the available stock of high-quality, affordable low-income and special needs housing in Multnomah County will increase.

V. Compensation and Method of Payment

- A. The City will reimburse the Subrecipient for actual expenses incurred for provision of services within the terms of this contract, up to the maximum amount. However, no quarter's billing shall exceed 40% of the total contract amount.
- B. Requests for payments from the Subrecipient may be submitted monthly for payment based on actual expenses recorded in the PHB eligible projects cost center less any amounts billed to federal funding sources (in which HDC functions as a subrecipient) for such projects.
- C. Subrecipient will report the aggregate total amount of client fees charged and collected, as well as any other revenue sources directly attributable for PHB eligible projects, each month. At the end of the contract period, the Subrecipient will prepare a final report, which includes the total costs incurred in the provision of services for PHB eligible projects, the total amount of reimbursement requested from the City in accord with this contract, the total amount of client fees collected during the contract period for such projects, the total amount of revenues from other sources attributable to such projects, and the pro rata portion of excess client fee income (as described in Section II above) to be restricted for use in subsequent periods.
- D. All funds received by the Subrecipient must be disbursed within three (3) working days of receipt.
- E. PHB approval is required for any changes to the contract budget which result in variances greater than 20% in the budget subtotal categories of Personnel, Non Personnel, or Allocated Costs (including both "shared" and "administrative" costs).
- F. Total compensation under this Contract shall not exceed ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000).

VI. General Provisions

- A. **TERMINATION FOR CAUSE.** In accordance with 24 CFR 85.43, if, through any cause, the Subrecipient shall fail to fulfill in timely and proper manner his/her obligations under this Contract, or if the Subrecipient shall violate any of the covenants, agreements, or stipulations of this Contract, the City may avail itself of such remedies as cited in 24 CFR 85.43 by giving written notice to the Subrecipient of such action and specifying the effective date thereof at least 30 days before the effective date of such action. In such event, all finished or unfinished documents, data, studies, and reports prepared by the Subrecipient under this Contract shall, at the option of the City, become the property of the City and the Subrecipient shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents.

Notwithstanding the above, the Subrecipient shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of the Contract by the Subrecipient, and the City may withhold any payments to the Subrecipient

for the purpose of setoff until such time as the exact amount of damages due the City from the Subrecipient is determined.

- B. **TERMINATION FOR CONVENIENCE.** In accordance with 24 CFR 85.44, the City and Subrecipient may terminate this contract at any time by mutual written agreement. If the Contract is terminated by the City as provided herein, the Subrecipient will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of the Subrecipient covered by this Contract less payments of compensation previously made.
- C. **ENFORCEMENT AND REMEDIES.** In the event of termination under section A hereof by the City due to a breach by the Subrecipient, then the City may complete the work either itself or by agreement with another subrecipient, or by a combination thereof. In the event the cost of completing the work exceeds the amount actually paid to the Subrecipient hereunder plus the remaining unpaid balance of the compensation provided herein, then the Subrecipient shall pay to the City the amount of excess. Allowable costs shall be determined in accordance with 24 CFR 85.43(c).

The remedies provided to the City under sections A and C hereof for a breach by the Subrecipient shall not be exclusive. The City also shall be entitled to any other equitable and legal remedies that are available.

In the event of breach of this contract by the City, then the Subrecipient's remedy shall be limited to termination of the contract and receipt of payment as provided in section B hereof.

In the event of termination under Section A, the City shall provide the Subrecipient an opportunity for an administrative appeal to the Bureau Director.

- D. **CHANGES.** The City or Subrecipient may, from time to time, request changes in writing in the scope of services or terms and conditions hereunder. Such changes, including any increase or decrease in the amount of the Subrecipient's compensation, shall be incorporated in written amendments to this contract. Changes to the scope of work, budget line items, timing, reporting, or performance measures may be approved by the Project Manager.

Significant changes to the scope of work, performance measures, or compensation, unless the total contract after amendment is less than \$100,000, must be approved by ordinance of the City Council. Compensation changes in which the total contract is less than \$100,000 may be approved by the Bureau Director.

- E. **NON-DISCRIMINATION.** During the performance of this Contract, the Subrecipient agrees as follows:
  - (a) The Subrecipient will comply with the non-discrimination provisions of Title VI of the Civil Rights Act of 1964 (24 CFR 1), Fair Housing Act (24 CFR 100), and Executive Order 11063 (24 CFR 107).

- (b) The Subrecipient will comply with prohibitions against discrimination on the basis of age under Section 109 of the Act as well as the Age Discrimination Act of 1975 (24 CFR 146), and the prohibitions against discrimination against otherwise qualified individuals with handicaps under Section 109 as well as section 504 of the Rehabilitation Act of 1973 (24 CFR 8).
  - (c) The Subrecipient will comply with the equal employment and affirmative action requirements of Executive Order 11246, as amended by Order 12086 (41 CFR 60).
  - (d). The Subrecipient will comply with the equal employment and non-discrimination requirements of Portland City Code Sections 3.100.005 (City Policies Relating to Equal Employment Opportunity, Affirmative Action and Civil Rights), 3.100.042 (Certification of Contractors), and Chapter 23 – Civil Rights.
  - (e) Subrecipient will comply with the Americans with Disabilities Act (42 USC 12131, 47 USC 155, 201, 218 and 225), which provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodation, state and local government services and telecommunications. The Act also requires the removal of architectural and communication barriers that are structural in nature in existing facilities. For CDBG and/or HOME funded projects, the Subrecipient will also comply with affirmative marketing policy and outreach to minorities and women and to entities owned by minorities and women per 24 CFR 92.351 and/or 24 CFR 570.601(a)(2), if the funds will be used for housing containing 5 or more assisted units.
- F. SECTION 3: The Subrecipient will comply with the training and employment guidelines of Section 3 of the Housing and Urban Development Act of 1968, as amended (12U.S.C. 1701a), and regulations pursuant thereto (24 CFR Part 135).
  - G. ACCESS TO RECORDS. The City, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, general organizational and administrative information, documents, papers, and records of the Subrecipient which are directly pertinent to this contract, for the purpose of making audit or monitoring, examination, excerpts, and transcriptions. All required records must be maintained by the Subrecipient for four years after the City makes final payments and all other pending matters are closed.
  - H. MAINTENANCE OF RECORDS. The Subrecipient shall maintain fiscal records on a current basis to support its billings to the City. The Subrecipient shall retain fiscal as well as all records relating to program management and operation, program beneficiaries, demographics and eligibility for inspection, audit, and copying for four years from the date of completion or termination of this contract. The City or its authorized representative shall have the authority to inspect, audit, and copy on reasonable notice and from time to time any records of the Subrecipient regarding its billings or its work here under.



- I. **AUDIT OF PAYMENTS.** The City, either directly or through a designated representative, may audit the records of the Subrecipient at any time during the four-year period established by Section H above.

If an audit discloses that payments to the Subrecipient were in excess of the amount to which the Subrecipient was entitled, then the Subrecipient shall repay the amount of the excess to City.

- J. **INDEMNIFICATION.** The Subrecipient shall hold harmless, defend, and indemnify the City and the City's officers, agents and employees against all claims, demands, actions, and suits (including all attorney fees and costs) brought against any of them arising from the Subrecipient's work or any subcontractor's work under this contract.

- K. **LIABILITY INSURANCE.**

(a) The Subrecipient shall maintain General Liability insurance with a combined single limit of not less than \$1,000,000 per occurrence for Bodily Injury and Property Damage. It shall include contractual liability coverage for the indemnity provided under this contract, and shall provide that City of Portland, and its agents, officers, and employees are Additional Insured but only with respect to the Contractor's services to be provided under this Contract. If Subrecipient will be driving or using a vehicle on behalf of the City, then Automobile Liability insurance with a combined single limit of not less than \$1,000,000 per occurrence for Bodily Injury and Property Damage, including coverage for owned, hired, or non-owned vehicles, as applicable.

The limits of the insurance shall be subject to statutory changes as to maximum limits of liability imposed on municipalities of the state of Oregon during the term of the agreement. The insurance shall be without prejudice to coverage otherwise existing and shall name as additional insureds the City and its officers, agents, and employees. Notwithstanding the naming of additional insureds, the insurance shall protect each insured in the same manner as though a separate policy had been issued to each, but nothing herein shall operate to increase the insurer's liability as set forth elsewhere in the policy beyond the amount or amounts for which the insurer would have been liable if only one person or interest had been named as insured. The coverage must apply as to claims between insureds on the policy. The insurance shall provide that it shall not terminate or be canceled without 30 days written notice first being given to the City Auditor. If the insurance is canceled or terminated prior to completion of the contract, the Subrecipient shall provide a new policy with the same terms. The Subrecipient agrees to maintain continuous, uninterrupted coverage for the duration of the contract. The insurance shall include coverage for any damages or injuries arising out of the use of automobiles or other motor vehicles by the Subrecipient.

(b) The Subrecipient shall maintain on file with the City Auditor a certificate of insurance certifying the coverage required under subsection (a). The adequacy of the insurance shall be subject to the approval of the City Attorney. Failure to maintain liability insurance shall be cause for immediate termination of this Contract by the City.

In lieu of filing the certificate of insurance required herein, the Subrecipient shall furnish a declaration that the Subrecipient is self-insured for public liability and property damage for a minimum of the amounts set forth in ORS 30.270.

L. WORKERS' COMPENSATION INSURANCE.

(a) The Subrecipient, its subcontracts, if any, and all employers working under this Contract are subject employers under the Oregon Worker's compensation law and shall comply with ORS 656.017, which requires them to provide worker's compensation coverage for all their subject workers. A certificate of insurance, or copy thereof, shall be attached to this Contract and shall be incorporated herein and made a term and part of this Contract. The Subrecipient further agrees to maintain worker's compensation insurance coverage for the duration of this Contract.

(b) In the event the Subrecipient's worker's compensation insurance coverage is due to expire during the term of this Contract, the Subrecipient agrees to timely renew its insurance, either as a carrier-insured employer or a self-insured employer as provided by Chapter 656 of the Oregon Revised Statutes, before its expiration, and the Subrecipient agrees to provide the City of Portland such further certification of worker's compensation insurance as renewals of said insurance occur.

(c) If the Subrecipient believes itself to be exempt from the worker's compensation insurance coverage requirement of (a) of this subsection, the Subrecipient agrees to accurately complete the City of Portland's Questionnaire for Worker's Compensation Insurance and Qualification as an Independent Contractor prior to commencing work under this Contract. In this case, the Questionnaire shall be attached to this Contract and shall be incorporated herein and made a term and part of this Contract. Any misrepresentation of information on the Questionnaire by the Subrecipient shall constitute a breach of this Contract. In the event of breach pursuant to this subsection, City may terminate the Contract immediately and the notice requirement contained in Section A, TERMINATION FOR CAUSE, hereof shall not apply.

M. SUBCONTRACTING AND ASSIGNMENT. The Subrecipient shall not subcontract its work under this contract, in whole or in part, without the written approval of the City. The Subrecipient shall require any approved subcontractor to agree, as to the portion subcontracted, to fulfill all obligations of the Subrecipient as specified in this contract. Notwithstanding City approval of a subcontractor, the Subrecipient shall remain obligated for full performance hereunder, and the City shall incur no obligation other than its obligations to the Subrecipient hereunder. The Subrecipient agrees that if subcontractors are employed in the performance of this contract, the Subrecipient and its subcontractors are subject to the requirements and sanctions of ORS Chapter 656, Workers'

Compensation. The Subrecipient shall not assign this contract in whole or in part or any right or obligation hereunder, without prior written approval of the City.

The subcontractor shall be responsible for adhering to all regulations cited within this contract.

If Subrecipient provides CDBG or HOME funds to for-profit owners or developers, non-profit owners or developers, subrecipients, homeowners, homebuyers, tenants receiving tenant-based rental assistance or contractors, the Subrecipient must have a written agreement that meets the requirements of 24 CFR 570.503(b) or 92.504(c), respectively.

- N. INDEPENDENT CONTRACTOR STATUS. The Subrecipient is engaged as an independent contractor and will be responsible for any federal, state, or local taxes and fees applicable to payments hereunder.

The Subrecipient and its subcontractors and employees are not employees of the City and are not eligible for any benefits through the City, including without limitation, federal social security, health benefits, workers' compensation, unemployment compensation, and retirement benefits.

- O. CONFLICTS OF INTEREST. Per 24 CFR 92.356 and/or 24 CFR 570.611, no City officer or employee, during his or her tenure or for one year thereafter, shall have any interest, direct or indirect, in this contract or the proceeds thereof. No board of directors member or employee of the Subrecipient, during his or her tenure or for one year thereafter, shall have any interest, direct or indirect, in this contract or the proceeds thereof. No City officer or employee who participated in the award of this contract shall be employed by the Subrecipient during the period of this contract.

The Subrecipient shall also comply with the provisions of 24 CFR 84.42 and/or 85.36(b)(3), which require that a written Code of Standards of Conduct be maintained by the agency, as it relates to the performance of employees engaged in the award and administration of contracts.

- P. CONTRACT ADMINISTRATION, 24 CFR 570.502(b). The Subrecipient shall comply with the applicable provisions of OMB Circular Nos. A-122, A-21, A-133 and A-110 as described by 24 CFR 570.502(b) and 570.610. If Subrecipient is a public agency, it must comply with the provisions of OMB Circulars A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).

- Q. OREGON LAWS AND FORUM. This contract shall be construed according to the laws of the State of Oregon.

Any litigation between the City and the Subrecipient arising under this contract or out of work performed under this contract shall occur, if in the state courts, in the Multnomah County court having jurisdiction thereof, and if in the federal courts, in the United States District Court for the State of Oregon.

- R. AVAILABILITY OF FUNDS. It is understood by all parties to this contract that the funds used to pay for services provided herein are provided to the City through a grant from the U.S. Department of Housing and Urban Development. In the event that funding is reduced, recaptured, or otherwise made unavailable to the City as a result of federal action, the City reserves the right to terminate the contract as provided under Section B hereof, or change the scope of services as provided under Section D hereof.
- S. PROGRAM INCOME/PERSONAL PROPERTY. For Community Development Block Grant-funded projects, the Subrecipient shall comply with provisions of 24 CFR 570.504 regarding program income. Program income shall be retained by the Subrecipient provided that it shall be used only for those activities identified in the Scope of Services, and shall be subject to all provisions of this contract.
- T. COMPLIANCE WITH LAWS. In connection with its activities under this contract, the Subrecipient shall comply with all applicable federal, state, and local laws and regulations. For Community Development Block Grant-funded projects, the Subrecipient shall carry out its activities in compliance with 24 CFR 570 Subpart K, excepting the responsibilities identified in 24 CFR 570.604 and 570.612. For McKinney-Vento Supportive Housing Program funded projects, Subrecipient shall carry out its activities in compliance with 24 CFR 583. For McKinney-Vento Emergency Shelter Grant funded projects, Subrecipient shall carry out its activities in compliance with 24 CFR 576.

In the event that the Subrecipient provides goods or services to the City in the aggregate in excess of \$2,500 per fiscal year, the Subrecipient agrees it has certified with the City's Equal Employment Opportunity certification process.

- U. PROGRAM AND FISCAL MONITORING. The City through the Portland Housing Bureau shall monitor on a regular basis to assure contract compliance. Such monitoring may include, but are not limited to, on site visits, telephone interviews, and review of required reports and will cover both programmatic and fiscal aspects of the contract. The frequency and level of monitoring will be determined by the City Project Manager.
- V. EXPIRATION/REVERSION OF ASSETS. For Community Development Block Grant-funded projects, the Subrecipient shall comply with the Reversion of Assets provision of 24 CFR 570.503 (b)(7).

For Emergency Shelter Grant funded projects, the Subrecipient shall transfer to the City any ESG funds on hand at the time of expiration and any accounts receivable attributable to the use of ESG funds. Any real property under the Subrecipient's control that was acquired or improved in whole or in part with ESG funds in excess of \$25,000 shall be disposed of in a manner which results in the City being reimbursed in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non-ESG funds for acquisition of, or improvement to, the property. Such reimbursement is not required after a five-year period after expiration of this Contract.

The Subrecipient shall require that the language of this certification be included in the award documents at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative Contract) and that all subcontractors shall certify and disclose accordingly.

- W. RELOCATION, ACQUISITION AND DISPLACEMENT. The Subrecipient agrees to comply with 24 CFR 570.606, 574.630 or 576.80 relating to the acquisition and disposition of all real property utilizing grant funds, and to the displacement of persons, businesses, non-profit organizations and farms occurring as a direct result of any acquisition of real property utilizing grant funds. The Subrecipient agrees to comply with applicable City of Portland ordinances, resolutions and policies concerning displacement of individuals from their residences.
- X. PROGRAM ACCESS BY THE DISABLED. The Subrecipient shall, to the maximum feasible extent, follow the Portland Housing Bureau's guidelines on ensuring interested persons can reasonably obtain information about, and access to, HUD-funded activities.
- Y. SEVERABILITY. If any provision of this Contract is found to be illegal or unenforceable, this Contract nevertheless shall remain in full force and effect and the provision shall be stricken.
- Z. INTEGRATION. This Contract contains the entire agreement between the City and the Subrecipient and supercedes all prior written or oral discussions or agreements.
- AA. LABOR STANDARDS. The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours, the Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C 276, 327-333) and all other applicable federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this contract. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the City of Portland for review upon request.

The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property designed for residential use for less than eight (8) households, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair of any building or work financed in whole or in part with assistance provided under this contract, shall comply with federal requirements adopted by the City of Portland pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR, Parts 3, 15 and 7 governing the payment of wages and ratio of apprentices and trainees to journeymen; provided, that if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be

inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph, for such contracts in excess of \$100,000.

- BB. FLOOD DISASTER PROTECTION. The Subrecipient agrees to comply with the requirements of the Flood Disaster Protection Act of 1973 (P.L.-2234) in regard to the sale, lease or other transfer of land acquired, cleared or improved under the terms of this contract, as it may apply to the provisions of this contract.
- CC. LEAD-BASED PAINT. The Subrecipient agrees that any construction or rehabilitation of residential structure with assistance provided under this contract shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, 574.635 and 24 CFR Part 35, and in particular Sub-Part B thereof. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants or properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning.
- DD. FUND-RAISING. City-funded dollars may be used to cover expenses directly related to the contracted project. Costs associated with general agency fund-raising activities are not eligible. No Emergency Shelter Grant (ESG) fund dollars may be used to cover expenses associated with general agency fund raising activities not directly related to ESG-funded projects.
- EE. PUBLICITY. Publicity regarding the project shall note participation of the City through the Portland Housing Bureau.
- FF. LOBBYING. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Subrecipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Subrecipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

The Subrecipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreement) and that all Subcontractors shall certify and disclose accordingly.

- GG. CHURCH/STATE. The Subrecipient agrees to comply with the applicable provisions of 24 CFR 570.200(j) or 24 CFR 576.22 regarding the use of federal funds by religious organizations.
- HH. INDEPENDENT FINANCIAL AUDITS/REVIEWS. Any subrecipient expending \$500,000 or more in federal funds, from all sources, in any program year is required to obtain an independent audit of the federally funded program(s), in compliance with federal OMB Circular A-133. Two copies of the audit will be submitted to the designated City Project Manager within 30 days of its completion.
- II. DRUG-FREE WORKPLACE. The Subrecipient will maintain a drug-free workplace in conformance with 24 CFR part 24, subpart F.
- JJ. ENVIRONMENTAL REVIEW. Subrecipient must comply with the requirements of the National Environmental Policy Act of 1959 [24 CFR Part 58]. No funds may be committed and no work may be carried out on any project until the environmental review is complete and a Release of Funds is issued by HUD, if applicable.
- KK. DEBARRED, SUSPENDED OR INELIGIBLE CONTRACTORS. Federal funds may not be used to directly or indirectly employ, award contracts to or otherwise engage the services of any contractor or subrecipient during any period of debarment, suspension or placement of ineligibility status [24 CFR Part 24]. Contractors and subrecipients are responsible for checking the Federal publications that list debarred, suspended and ineligible contractors to assure compliance.
- LL. SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISES AND LABOR SURPLUS AREA FIRMS. Contractors and County must comply with the requirements of Executive Orders 11625, 12432 and 12138 and 24 CFR 85.36(e), which require that contractors and subrecipients take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible. Such affirmative steps would include: (i) placing qualified small and women's business enterprises on solicitation lists; (ii) assuring that small and minority businesses and women's business enterprises are solicited whenever they are potential sources; (iii) dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises; (iv) establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; (v) using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and (vi) requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed above.

HOUSING DEVELOPMENT CENTER

Robin Boyce  
Director

Date \_\_\_\_\_

Margaret Van Vliet  
Director

Date \_\_\_\_\_

Portland Housing Bureau

**APPROVED AS TO FORM:**

Linda Meng  
City Attorney

Date \_\_\_\_\_

LaVonne Griffin-Valade  
City Auditor

Date \_\_\_\_\_