

FISCAL YEAR 2015-2016
HOUSING REHABILITATION, FINANCE AND DEVELOPMENT AGREEMENT
Between
Portland Development Commission
And
Portland Housing Bureau
Intergovernmental Agreement No.: 3000XXXX

This Housing Rehabilitation, Finance and Development Agreement (this "Agreement"), dated July 1, 2015 (the "Effective Date"), is made and entered into by and between the **City of Portland, acting by and through its Portland Housing Bureau** ("PHB" or "Bureau") and the **Portland Development Commission** ("PDC" or "Commission").

RECITALS

1. PDC, as the duly-designated urban renewal agency of the City of Portland ("City"), is granted broad powers under ORS 457 for the planning and implementation of urban renewal programs, projects and activities.
2. PDC's urban renewal activities include housing rehabilitation, finance and development consistent with ORS Chapter 457.
3. The City Charter charges PDC with implementing the vision and goals of the City relating to affordable housing as adopted by the Portland City Council ("Council"). PDC may implement the vision and goals through agreement with PHB.
4. PHB is responsible for implementing the City's housing policies. By combining the housing rehabilitation, finance and development urban renewal activities of PDC with the housing policy work of PHB, the City will enhance its ability to meet housing policy goals established by Council, including goals to address homelessness, to facilitate the preservation and development of affordable rental housing, to assure housing stability, and to promote homeownership while also working to reduce blight and blighting conditions in the City's urban renewal areas.
5. In order to promote greater coordination between the housing rehabilitation, finance and development projects undertaken as urban renewal activities and the City's housing policy implemented by PHB, and as authorized by ORS 457.210, PDC and PHB entered in that certain Fiscal Year 2014-15 Housing Rehabilitation, Finance and Development Agreement (Intergovernmental Agreement No. 30003984) dated July 1, 2014 (the "Prior IGA") pursuant to which PDC contracted with PHB for implementation of that portion of PDC's urban renewal activities involving housing rehabilitation, finance and development and under which PHB assumed responsibility for other housing activities historically performed by PDC.
6. The Prior IGA terminates on June 30, 2015.
7. PDC and PHB desire to enter into this Agreement to provide for PHB's continuing implementation of that portion of PDC's urban renewal activities involving housing

rehabilitation, finance and development and to provide for PHB's continuing responsibility for other housing activities historically performed by PDC as more specifically described herein.

Now therefore, the parties agree as follows:

AGREEMENT

I. DEFINITIONS

Unless otherwise defined herein, capitalized terms used in this Agreement have the meanings set forth in this Section I.

"Affordable Housing Set Aside Policy" means the policy adopted by Council on October 25, 2006 as Ordinance 180547 and amended on November 16, 2011 by Ordinance 185007, allocating 30% of urban renewal funds to affordable housing, as such policy may be further amended from time to time by Council.

"Former PDC TIF Projects" means housing rehabilitation, finance and development programs, projects, and activities undertaken by PDC prior to July 1, 2010 and financed with funding derived under ORS Chapter 457, including programs, projects and activities not yet completed on the Effective Date, other than loans that require no further loan servicing or compliance monitoring under the loan agreement or related documents.

"Funding" means the funding PDC is providing to PHB under the terms and conditions of this Agreement, as further described in Section VI of this Agreement.

"Housing Forecast" means the forecast for the succeeding four fiscal years that identifies the currently anticipated future urban renewal financing available for Urban Renewal Housing Projects. A copy of the Housing Forecast is attached hereto as Exhibit B and incorporated herein by this reference.

"PHB TIF Projects" means new housing rehabilitation, finance and development programs, projects and activities undertaken by PHB after July 1, 2010 and financed with funding derived under ORS Chapter 457 (including Program Income), including programs, projects and activities not yet completed on the Effective Date.

"Other Housing Activities" means housing programs, projects and activities that PDC has historically undertaken or engaged in that are not financed with funding derived under ORS Chapter 457, other than loans that require no further loan servicing or compliance monitoring under the loan agreement or related documents. The housing programs, projects and activities that PDC has historically undertaken or engaged in that are not financed with funding derived under ORS Chapter 457 include, but are not limited to, those listed on Exhibit A, attached hereto and incorporated herein by this reference.

"Program Income" means revenue generated by assets created or acquired, or activities financed with, tax increment resources or Program Income of an urban renewal area.

Program Income includes, but is not limited to, loan repayments and the proceeds of the sale of real property or other assets, including assets PDC transferred to PHB.

“Urban Renewal Housing Projects” means all PHB TIF Projects and Former PDC TIF Projects.

II. PHB SCOPE OF WORK

Subject to the terms and conditions of this Agreement, PHB shall perform the following activities. To the extent authority has been conferred by law on PDC to perform these activities, PDC hereby delegates such authority to PHB as necessary to perform the activities.

A. Urban Renewal Housing Projects.

1. PHB shall select, plan and implement PHB TIF Projects in the City's urban renewal areas consistent with the City's housing policies and urban renewal objectives, as reflected in the relevant urban renewal plans and the City's housing policy, subject to the requirements of applicable law, including ORS Chapter 457. PHB will be responsible for decision-making regarding PHB TIF Projects, including project priority, as well as determining and certifying which costs are tax increment eligible.
2. PHB shall continue to be responsible for completion and monitoring of all Former PDC TIF Projects, consistent with the City's housing policies and urban renewal objectives, as reflected in the relevant urban renewal plans and the City's housing policy, subject to the requirements of applicable law, including ORS Chapter 457.
3. For each Urban Renewal Housing Project, PHB shall be responsible for all work necessary to develop, complete and administer the program, project, or activity, including but not limited to, outreach, planning, acquisition, disposition, relocation, negotiation and underwriting, preparing and executing the necessary documentation, and administering all related contracts and agreements, including disbursements, construction coordination and monitoring, compliance monitoring, environmental inspections, asset management (including but not limited to loan servicing and property management), accounting, reporting, and enforcement. PHB and PDC contemplate that a portion of the foregoing work may be contracted back to PDC under the terms of a separate Support Services Agreement.
4. PHB shall be responsible for satisfying the requirements of the Affordable Housing Set Aside Policy.
5. In implementing Urban Renewal Housing Projects, including but not limited to Urban Renewal Housing Projects implemented through agreements with developers or other third parties who then enter into the construction and other contracts necessary for the project, PHB will

employ its best efforts to meet or exceed the City's MWESB goals and objectives for Emerging Small Businesses, Women and Minority owned-businesses and apprenticeships and other City policies pertaining to fair contracting.

B. Other Housing Activities.

1. PHB shall continue to be responsible for all Other Housing Activities.
2. For all Other Housing Activities, PHB shall be responsible for all work necessary to develop, complete and administer the program, project, or activity, including but not limited to, outreach, planning, acquisition, disposition, relocation, negotiation and underwriting, preparing and executing the necessary documentation, and administering all related contracts and agreements, including disbursements, construction coordination and monitoring, compliance monitoring, asset management (including but not limited to loan servicing and property management), environmental inspections, accounting, reporting, and enforcement. PHB and PDC contemplate that a portion of the foregoing work may be contracted back to PDC under the terms of a separate Support Services Agreement.
3. PHB agrees and acknowledges that its work under this Section II(B) is not financed and will not be reimbursed under this Agreement.

III [SECTION RESERVED]

IV. PHB and PDC JOINT OBLIGATIONS

- A. PHB and PDC will coordinate and cooperate regarding creation and amendment of urban renewal plans as they relate to housing rehabilitation, finance and development. PDC will include PHB in its planning efforts with respect to the housing rehabilitation, finance and development aspects of urban renewal plans.
- B. PHB and PDC will coordinate and cooperate regarding creation and amendment of annual budgets that specify the funding and housing forecasts for Urban Renewal Housing Projects covered by this Agreement in accordance with the Affordable Housing Set Aside Policy.
- C. PHB and PDC acknowledge that \$450,000 in urban renewal funds from the Lents Town Center Urban Renewal Area (the "LTC URA"), that would otherwise have

been included in the funding available to PHB under the Prior IGA, was, with PHB's consent, combined with other PDC funds to finance PDC's purchase of the real property located at 7238 SE Foster Road, Portland, Oregon, in the LTC URA (the "Mixed Use Site"). PHB and PDC currently anticipate that a portion of the Mixed Use Site will be redeveloped as housing. Accordingly, PDC and PHB agree to collaborate on the future redevelopment of the Mixed Use Site, including but not limited to, determining which party will control redevelopment of the Mixed Use Site.

V. CONTRACT MANAGEMENT

A. Commission.

1. PDC Contract Signatory. The Commission Contract Signatory shall be the Executive Director, or such other person as designated in writing by the PDC Executive Director ("PDC Contract Signatory"). The PDC Contract Signatory is authorized to give notices and to carry out other PDC actions referred to herein, including termination of this Agreement as provided in Section VIII.
2. PDC Contract Manager. The Commission Contract Manager shall be Tony Barnes ("PDC Contract Manager"). The PDC Contract Manager is responsible for the day-to-day management of the Agreement as provided herein and serves as the first level of conflict resolution.

B. Bureau.

1. PHB Contract Signatory. The PHB Contract Signatory shall be the Director of the Portland Housing Bureau, or such other person as designated in writing by the Director of the Portland Housing Bureau ("PHB Contract Signatory"). The PHB Contract Signatory is authorized to give notices and to carry out other PHB actions referred to herein, including termination of this Agreement as provided in Section VIII.
2. PHB Contract Manager. The PHB Contract Manager shall be Mike Johnson ("Bureau Contract Manager"). The PHB Contract Manager is responsible for the day-to-day management of the Agreement as provided herein and serves as the first level of conflict resolution.

VI. FUNDING / COMPENSATION / ALLOWABLE COSTS

- A. Subject to the terms and conditions of this Agreement, PDC agrees to transfer to PHB, on a reimbursement basis for work performed under Section II(A) of the PHB Scope of Work during fiscal year FY 2015-16, a sum not to exceed the amount set forth in Exhibit C (the "Budget") attached hereto and incorporated herein by this reference (the "Funding"). The PDC Contract Signatory and the PHB Contract Signatory are authorized to modify the Budget, through a duly

executed amendment to this Agreement, if sufficient funds have been appropriated for Housing in the PDC Budget to cover the maximum amounts payable by PDC under this Agreement from each urban renewal area and sufficient funds have been appropriated for PHB in the City of Portland's Budget to cover the costs of providing the services under this Agreement.

- B. The full amount of the Funding is authorized in PDC's budget for FY 2015-16. In addition to the Funding, PDC has prepared the Housing Forecast for the succeeding four fiscal years that identifies the currently anticipated future urban renewal funding for Urban Renewal Housing Projects. All Funding not expended in FY 2015-16 and all funding in the Housing Forecast is subject to budget appropriation and, if appropriated, will be made available to PHB under the terms of a future intergovernmental agreement or an appropriate amendment of this Agreement. PDC staff will recommend that any Funding encumbered but not expended in FY 2015-16 as well as the urban renewal financing for Urban Renewal Housing Projects identified in the Housing Forecast be appropriated in subsequent PDC budgets, as reasonably necessary, to the extent funds are available, and to the extent consistent with the City Council's housing policy, including its Affordable Housing Set Aside Policy. Future funding from PDC for Urban Renewal Housing Projects is expected to comply with the City Council's Affordable Housing Set Aside Policy, though the actual amount appropriated from year to year may vary based on actual expenditures in prior years.
- C. The Funding made available to PHB under this Agreement is comprised solely of urban renewal resources available to PDC under ORS Chapter 457, including Program Income. Accordingly, PHB's expenditure of the Funding is subject to the limitations of, and must be consistent with, ORS Chapter 457. PDC will make the Funding available from the urban renewal areas as set forth in the Budget. Funding made available from a particular urban renewal area, as well as Program Income generated by a particular urban renewal area, may be utilized solely on Urban Renewal Housing Projects in that urban renewal area. As further described in Section VII below, PHB may seek reimbursement from PDC under this Agreement for the following costs reasonably incurred in performing activities falling within Section II(A) of the PHB Scope of Work, within the line-item limits of the Budget and subject to the monetary and use limitations set forth above.
1. Direct Costs
 - a) Personnel Services. Reimbursement of direct salary and benefit costs paid to staff.
 - b) External Materials and Services. Reimbursement of actual costs for the purchase of materials, supplies and external services, including but not limited to, professional/technical/expert services, equipment, construction services, travel, training, and incidental expenses.

- c) Capital and Financial Assistance. Reimbursement for disbursements made under loan, grant, or other financial assistance agreements, for acquisition of real property by PHB, and for environmental remediation of real property owned PHB, made pursuant to PHB and City policies, procedures, and guidelines.
2. Indirect Costs
- a) Personnel Services. Reimbursement of PHB administrative, planning, and policy unit indirect staff costs (charged to a TIF indirect staffing cost center, which is then allocated based upon direct staffing charges to Urban Renewal Housing Projects).
 - b) Support Costs. Reimbursement of support costs including space rental, City of Portland Bureau of Internal Business Systems charges, and other generally accepted fixed costs of doing business. These costs will be reimbursed in FY 2015-16 via an indirect cost charge of 81.75% against billed direct personnel services costs of PHB staff in each URA. This rate is derived from PHB's OMB A87 Indirect Cost Plan as approved by the US Department of Housing and Urban Development.

VII. BILLING AND PAYMENT PROCEDURE

- A. PHB shall submit to the PDC Contract Manager a monthly itemized billing for work performed as described in Section II(A) of the PHB Scope of Work. In order to receive timely payment, billings must be received no later than thirty (30) days following the close of a billing period. Interim billings may be submitted prior to the end of a billing period in order to manage cash flow at PHB
- B. Each billing shall include a Billing Detail Report in a format created and/or approved by PDC. At a minimum, each billing shall include the following information, by urban renewal area, for work performed during the billing period:
 - 1. a description of the nature and cost of work accomplished;
 - 2. the names, rates and hours worked of personnel;
 - 3. disbursements to consultants, contractors and outside vendors for materials and services;
 - 4. disbursements under loan agreements, grant agreements and other financial assistance agreements and costs incurred for acquisition of real property or for environmental remediation of real property;
 - 5. certification, substantially in the form of Exhibit D attached hereto and incorporated herein by this reference, that the costs for which PHB is

seeking reimbursement are eligible urban renewal costs under ORS Chapter 457;

6. a budget versus actual for each PHB Urban Renewal Area Fund including Program Income and Urban Renewal Housing Project expenditures such other documents and information as PDC may reasonably request to meet its business needs, including but not limited to, the need to document the uses of the Funding for bond issuance purposes.

- C. Subject to the limitations of Section VI and with respect to each urban renewal area, PDC shall reimburse the portion of the costs incurred by PHB in performing work falling with Section II(A) of the PHB Scope of Work that exceeds the Program Income received by PHB in that urban renewal area PHB may retain any Program Income that PHB generates in an urban renewal area that exceeds the costs incurred by PHB in performing work in that urban renewal area falling within Section II(A) of the PHB Scope of Work. PHB and PDC may agree in writing to reimburse costs prior to the use of Program Income in urban renewal areas that no longer issue debt. PHB's use of Program Income is subject to the restrictions set forth in Section VIII(F) hereof. If billings are received with incomplete information or disputed items, PDC will advise PHB in writing what specific information is missing or disputed. PDC will proceed to process payment for items not in dispute. PDC will pay billings not in dispute within 30 days of receipt of the billing from PHB.

VIII. GENERAL

A. Termination.

1. The Termination Date of this Agreement is June 30, 2016. The parties currently anticipate, however, that they will either enter into a new agreement on substantially similar terms and conditions or amend this Agreement to continue the services described in the Scope of Work during the next fiscal year.
2. Early Termination of Agreement. This Agreement may be terminated at any time by mutual written consent.
3. If the parties have entered into a subsequent agreement to continue the services described in the PHB Scope of Work, work shall continue under the subsequent agreement and PHB shall submit a final billing request for work performed under this Agreement within sixty (60) days of the date of termination and PHB will be reimbursed eligible costs incurred through the date of termination in accordance with Section VII.

4. If the parties have not entered into a subsequent agreement to continue the services described in the PHB Scope of Work, upon termination of this Agreement: (a) the work shall cease promptly and a final billing request submitted within sixty (60) days of the effective date of termination, (b) eligible costs incurred through the date of Agreement termination will be reimbursed, and (c) after termination of this Agreement, PHB shall take such actions and execute and deliver such documents as PDC may reasonably request to provide for an orderly transfer of the urban renewal work conducted by PHB under this Agreement back to PDC or to a third party agreed to by PDC and PHB.

B. Conflict Resolution.

If a dispute arises regarding performance under this Agreement, both parties agree to exercise good faith in expeditiously resolving said conflict in the following manner.

1. All conflicts should first be discussed and resolved if at all possible by the Contract Managers specified in Section V.
2. Any conflicts not resolved by the Contract Managers shall be elevated to the Contract Signatories for discussion and resolution.

C. Compliance with Laws. In connection with its activities under this Agreement, the parties shall comply with all applicable federal, state and local laws and regulations.

D. Indemnification.

Subject to the limits of the Oregon Tort Claims Act and Oregon Constitution, PHB agrees to indemnify, hold harmless and defend, PDC, its directors, officers, employees and agents from and against all claims, suits, actions of whatsoever nature, damages or losses, and all expenses and costs incidental to the investigation and defense thereof, resulting from or arising out of the activities of PHB, its officers, employees or agents under this Agreement.

Subject to the limits of the Oregon Tort Claims Act and Oregon Constitution, PDC agrees to indemnify, hold harmless and defend, City, its officers, employees and agents from and against all claims, suits, actions of whatsoever nature, damages or losses, and all expenses and costs incidental to the investigation and defense thereof, resulting from or arising out of the activities of PDC, its directors, employees or agents under this Agreement.

E. Subcontracting. PHB may engage subcontractors but shall remain obligated for full performance hereunder, and PDC shall incur no obligation to the subcontractor hereunder. PHB shall have the sole authority to direct the work of any authorized and approved subcontractors. Subject to the limitations of Section VI, the costs of services provided by subcontractors are eligible for reimbursement under Section VI as external materials and services costs.

- F. **Asset Acquisition and Management.** PHB shall manage and dispose of all personal and real property acquired directly by PHB with the Funding, and all Program Income, in a manner consistent with the requirements of ORS Chapter 457.
- G. **Status Reports.** PHB shall submit data and information to PDC on its activities under this Agreement, as PDC may reasonably request from time to time in order to prepare reports on the City's urban renewal activities.
- H. **Delivery / Maintenance of Records.** PHB shall maintain records on a current basis to support its billings to PDC for work performed under this Agreement. PHB shall retain such billing records as well as all other records related to performance of its work under this Agreement (including but not limited to records whose custody PDC transferred to PHB pursuant to this Agreement) as long as necessary to satisfy IRS records retention requirements and, in any event, until the later of (a) 3 years after termination of this Agreement, (b) the date that any dispute arising under this Agreement is resolved or (c) the date that such records may be destroyed under applicable records retention laws. PDC or its authorized representative shall have the authority to inspect, audit and copy, on reasonable notice and from time to time, all such records to comply with audit requirements or meet other business needs.
- I. **Amendments.** This Agreement may be amended only in writing signed by the Contract Signatories.
- J. **Effect of Termination.** Sections VIII(A)(3), VIII(A)(4), VIII(D), VIII(F), VIII(G), VIII(H) and VIII(J) shall survive termination of this Agreement.

[Signature page to follow]

IN WITNESS WHEREOF, PHB and PDC have executed this Agreement as of the Effective Date.

DO NOT EXECUTE

**CITY OF PORTLAND HOUSING
BUREAU**

**PORTLAND DEVELOPMENT
COMMISSION**

, Director

Patrick Quinton, Executive Director

Date

Date

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Tracy Reeve, City Attorney

Legal Counsel

Mary Hull Caballero, City Auditor

Date

EXHIBIT A**OTHER HOUSING ACTIVITIES**

1. Neighborhood housing programs paid fully or in part with funding from the U.S. Department of Housing and Urban Development and the City.
2. Limited tax abatement approval and compliance monitoring and reporting.
3. Systems Development Charge waiver approval.
4. Housing Investment Fund activities.
5. City Lights Program.
6. Mortgage Credit Certificate Administration.

HOUSING FORECAST

Exhibit B

TIF funded portion only

	FY 2014-15 Adopted	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast
Central Eastside URA					
H89030 Affordable Rental Housing		800,000	1,550,000		2,700,000
<i>Central Eastside URA Total</i>	\$0	\$800,000	\$1,550,000	\$0	\$2,700,000
Convention Center URA					
H30056 Miracles Club Central	7,000,000				
H89030 Affordable Rental Housing	5,200,000				
<i>Convention Center URA Total</i>	\$12,200,000	\$0	\$0	\$0	\$0
Downtown Waterfront URA					
H89030 Affordable Rental Housing	1,717,345	254,565			
<i>Downtown Waterfront URA Total</i>	\$1,717,345	\$254,565	\$0	\$0	\$0
Gateway Regional Center URA					
H89020 Home Buyer Assistance	500,000	500,000	400,000	200,000	75,000
H89034 Gateway/Glisan	2,976,417				
H20035 Property Management	1,000	1,000	1,000	1,000	1,000
<i>Gateway Regional Center URA Total</i>	\$3,477,417	\$501,000	\$401,000	\$201,000	\$76,000
Interstate URA					
H34606 Killingsworth Block					
H19032 King/Parks Affordable Housing	880,000				
H89030 Affordable Rental Housing	1,300,000	400,000	500,000	2,400,000	2,500,000
N/NE Projects	1,400,000	4,500,000	5,500,000	4,200,000	4,400,000
Beech Street Apts	182,312				
H89010 Home Repair Projects	500,000	500,000	500,000	500,000	500,000
H89020 Home Buyer Assistance	500,000	500,000	500,000	500,000	500,000
<i>Interstate URA Total</i>	\$4,762,312	\$5,900,000	\$7,000,000	\$7,600,000	\$7,900,000
Lents Town Center URA					
H89030 Affordable Rental Housing			350,000	400,000	600,000
H89010 Home Repair Projects	500,000	500,000	500,000	500,000	500,000
H89020 Home Buyer Assistance	500,000	500,000	500,000	500,000	500,000
<i>Lents Town Center URA Total</i>	\$1,000,000	\$1,000,000	\$1,350,000	\$1,400,000	\$1,600,000

Exhibit A

	FY 2014-15 Adopted	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast
North Macadam URA					
H89030 Affordable Rental Housing	-	-	800,000	1,000,000	1,400,000
<i>North Macadam URA Total</i>	<i>\$0</i>	<i>\$0</i>	<i>\$800,000</i>	<i>\$1,000,000</i>	<i>\$1,400,000</i>
River District URA					
H12030 Fairfield Apartments	50,000	50,000	50,000	50,000	50,000
H89030 Affordable Rental Housing		6,500,000	7,200,000	2,500,000	1,600,000
H20039 Medford	1,476,000				
H20050 Ericson-Fritz	6,339,093				
H20049 The Abigail	9,900,000	1,950,000			
<i>River District URA Total</i>	<i>\$17,765,093</i>	<i>\$8,500,000</i>	<i>\$7,250,000</i>	<i>\$2,550,000</i>	<i>\$1,650,000</i>
South Park Blocks URA					
H34510 SPB Section 8 Preservation	860,486			-	-
<i>South Park Blocks URA Total</i>	<i>\$860,486</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
Education URA					
H89030 Affordable Rental Housing	417,828	498,371	626,648	715,451	1,539,177
<i>South Park Blocks URA Total</i>	<i>\$417,828</i>	<i>\$498,371</i>	<i>\$626,648</i>	<i>\$715,451</i>	<i>\$1,539,177</i>

Exhibit C

TIF Funded Portion Only

URA	Capital and		Total Approved
	Financial Assistance Total	Personnel Services and Indirect Total	
Central Eastside	\$ 796,800	\$ 118,541	\$ 915,341
Convention Center	\$ 11,912,500	\$ 542,540	\$ 12,455,040
Downtown Waterfront	\$ 1,429,779	\$ 287,566	\$ 1,717,345
Gateway	\$ 3,477,418	\$ 250,283	\$ 3,727,701
Interstate	\$ 4,754,012	\$ 770,437	\$ 5,524,449
Lents	\$ 986,900	\$ 573,104	\$ 1,560,004
North Macadam	\$ -	\$ 2,652	\$ 2,652
River District	\$ 17,206,793	\$ 818,911	\$ 18,025,704
South Park Blocks	\$ 582,068	\$ 278,418	\$ 860,486
Education	\$ 412,828	\$ 5,000	\$ 417,828
Total	\$ 41,146,270	\$ 3,647,452	\$ 44,788,723

EXHIBIT D
FORM OF CERTIFICATION
Sample Invoice (on PHB Letterhead) – Page 1

Contract #: _____ **Invoice Period:** _____ **Invoice #:** _____

Organization: Portland Housing Bureau	Total contract:
Mailing Address:	
Contact Name/Title: Mike Johnson	
Phone/Fax:	

Activity	Budget	Expense This Period	Expenses YTD Including This Invoice	Balance From Budget
Personnel Services and Indirect				
External Materials and Services, Capital and Financial Assistance				
Total				

Total Amount Requested: _____ **Total Balance:** _____

Certification: I certify to the best of my knowledge and belief that the invoice is correct and complete and that all the expenses are for the purpose set forth in the IGA and are tax increment eligible, and I understand that these expenses are subject to future audit.

PHB Director: Typed or Printed Name: _____

PHB Director Signature: _____ **Date Submitted:** _____

City of Portland Legal Typed or Printed Name: _____

City of Portland Legal Signature: _____ **Date Submitted:** _____

FOR OFFICE USE ONLY

I have received this information and have forwarded the invoice for processing

Contract Manager

Date Sent to Accounting

**FISCAL YEAR 2015-16
HOUSING SUPPORT SERVICES AGREEMENT**

**Between
Portland Development Commission
And
Portland Housing Bureau
Intergovernmental Agreement No.:**

This Housing Support Services Agreement (this "Agreement"), dated this 1st day of July, 2015 ("Effective Date"), is made and entered into by and between the **City of Portland, acting by and through its Portland Housing Bureau ("PHB" or "Bureau")** and the **Portland Development Commission ("PDC" or "Commission")**.

RECITALS

1. PDC and PHB have entered into that certain Housing Rehabilitation, Finance and Development Agreement of even date herewith (the "HRFD Agreement"), under which PHB will perform certain urban renewal activities involving housing rehabilitation, finance and development (referred to herein and in the HRFD Agreement as the "Urban Renewal Housing Projects") as well as the non-urban renewal housing activities historically conducted by PDC (referred to herein and in the HRFD Agreement as the "Other Housing Activities"), as and to the extent described in the HRFD Agreement. Capitalized terms used herein without definition have the meaning ascribed to such term in the HRFD Agreement.
2. In order to implement the Urban Renewal Housing Projects and the Other Housing Activities in the most effective and efficient manner, PHB has requested, and PDC has agreed to provide, on the terms and conditions of this Agreement, certain services to support PHB's delivery of the Urban Renewal Housing Projects and Other Housing Activities.

AGREEMENT

Now, therefore, the parties agree as follows:

I. SCOPE OF WORK

Subject to the terms and conditions of this Agreement, PDC shall provide the following services in support of PHB's implementation of Urban Renewal Housing Projects and Other Housing Activities. The schedule for delivery of requested services will be consistent with PDC's current practice for internal delivery of such service. PHB hereby delegates to PDC all authority necessary or desirable to perform such services.

A. Property Management.

PDC will provide the following property management services for the PHB real properties listed on Exhibit A (each, a "Managed Property" and collectively, the "Managed Properties"):

1. PDC will provide property maintenance, landscaping and security services. The Managed Properties will be maintained in a clean and orderly condition in accordance with the standards set forth in the City of Portland Property Maintenance Code (PCC 29.20.010, Outdoor Maintenance Requirements). In addition, PDC will provide leasing/rental/permitting management services as appropriate for each Managed Property.
2. PDC will maintain insurance coverage on the Managed Properties to include general liability (to the applicable limits of the Oregon Tort Claims Act) and, for the Managed Properties with improvements owned by PHB, property damage and professional liability (to the applicable limits of the Oregon Tort Claims Act); provided, however, that insurance on the Managed Properties identified on Exhibit A as "Single Family Home" will be limited to general liability. All claims presented by third parties must be processed and adjusted by PDC. If PHB overrides decisions made by PDC as to the acceptable use of a Managed Property that results in damage to the Managed Property or in a third party liability claim, PHB will defend PDC consistent with the indemnity set forth herein. The list of Managed Properties may be revised only by amendment to this Agreement, which amendment may be approved by the PHB Contract Signatory and the PDC Contract Signatory.
3. PDC will provide occasional property appraisal services as requested by PHB for PHB owned properties and properties in which PHB has a financial interest through prior investment or a Development and Disposition Agreement.
4. PDC will apply revenues generated from a Managed Property first to cover third party costs reasonably incurred in managing the Managed Property, such as contracted services, real property taxes, if any, and assessments imposed on the Managed Property. If those third party costs exceed the revenue generated by the Managed Property, PDC will invoice them to PHB as incidental expenses. PDC will periodically confer with PHB on the revenues generated by a Managed Property and, if those revenues exceed third party costs, PDC will, at PHB's request, distribute to PHB the portion of the net proceeds that exceed reasonable reserve amounts. If a Managed Property was acquired with urban renewal resources, any net proceeds from that Managed Property distributed to PHB will be considered Program Income (as defined in the HRFD Agreement) subject to the restrictions of the HRFD Agreement. PDC will not apply revenues generated from a Managed Property to cover PDC charges for personnel services and associated benefit and indirect costs.
5. In addition to the provisions of this Section I(A), PDC shall provide the services set forth in Exhibit A-1 as part of its management of the Headwaters Apartments. For purposes of management of the Headwaters

Apartments, in the event of a conflict between Exhibit A-1 and the language of this Section I(A), Exhibit A-1 shall control.

B. Information Technology Services.

Until PDC receives written notice from the PHB Contract Manager to discontinue such services, PDC will provide the following information technology services to PHB:

1. PDC will host and provide electronic access to a PHB instance of the MITAS loan originating and servicing software system through September 30, 2015.
2. PDC will support PHB requests for changes to the MITAS or PHB's loan data warehouse systems via the established IT service request process, which requires a two week period for PDC to evaluate and prioritize the change request; provided, however, that PHB acknowledges that the MITAS Maintenance Contract held by PDC terminated on September 30, 2011 and, accordingly, any requests for changes to the MITAS or the loan data warehouse systems that require the expertise of MITAS personnel will no longer be available.

C. Construction and Environmental Services.

As reasonably requested by PHB from time to time and subject to PHB direction and oversight, and PDC available staff resources, PDC will provide the following construction and environmental services to PHB related to Urban Renewal Housing Projects and Other Housing Activities:

1. PDC will perform environmental due diligence prior to acquisition, which may include Phase 1, Phase 2, and Phase 3 Environmental Site Assessments and Hazardous Building Surveys, on real property PHB proposes to acquire.
2. PDC will perform construction due diligence prior to acquisition, which may include Building Condition Investigation, Structural/Seismic Investigations and ALTA/Topo Surveys, on real property PHB proposes to acquire.
3. PDC will perform environmental site characterization for PHB real property as may be necessary under the DEQ Voluntary Cleanup Program. This work may include enrolling the site into the VCP program, performing remedial investigation/feasibility studies, preparing remedial action plans and contaminated media management plans, performing environmental cleanup oversight, preparing closure reports and Easement and Equitable Servitudes, and performing other coordination actions necessary to obtain a DEQ NFA letter.

4. PDC will provide site preparation and site cleanup work as may be necessary to facilitate future redevelopment of PHB real property, which may include preparing drawings and technical specifications, obtaining necessary permits, bid advertisement and award of construction contracts, and construction project management on resulting work. Final decisions regarding bids and construction contracts reside with PHB. PDC will provide specialized construction and environmental technical assistance related to PHB real property, which may include responding to Superfund questions, obtaining project permits, coordinating environmental cost recovery obligations, and assistance in responding to public records requests involving environmental and construction documents.
5. PDC will provide information necessary to update the Government Accounting Standards Board Statement 49, Accounting and Financial Reporting for Pollution Remediation Obligations (GASB 49) on the Managed Properties.

D. [Section Intentionally Blank]

E. Relocation Services.

As reasonably requested by PHB from time to time, PDC will provide commercial and residential relocation services to PHB in connection with Urban Renewal Housing Projects and Other Housing Activities. These services include payment of the actual relocation benefit, if any, arising from a relocation. The cost of such relocation benefit payments shall be invoiced to PHB as Materials and Services costs.

II. CONTRACT MANAGEMENT

A. Commission.

1. PDC Contract Signatory. The Commission Contract Signatory shall be the Executive Director, or such other person as designated in writing by the PDC Executive Director ("PDC Contract Signatory"). The PDC Contract Signatory is authorized to give notices and to carry out other PDC actions referred to herein, including termination of this Agreement as provided in Section V.
2. PDC Contract Manager. The Commission Contract Manager shall be Tony Barnes ("PDC Contract Manager"). The PDC Contract Manager is responsible for the day-to-day management of the Agreement as provided herein and serves as the first level of conflict resolution.
3. The PDC Contract Manager shall be included in all correspondence regarding amendments to this Agreement.

B. Bureau.

1. PHB Contract Signatory. The PHB Contract Signatory shall be the Director of the Portland Housing Bureau, or such other person as designated in writing by the Director of the Portland Housing Bureau ("PHB Contract Signatory"). The PHB Contract Signatory is authorized to give notices and to carry out other PHB actions referred to herein, including termination of this Agreement as provided in Section V.
2. PHB Contract Manager. The PHB Contract Manager shall be Paul Stewart ("Bureau Contract Manager"). The PHB Contract Manager is responsible for the day-to-day management of the Agreement as provided herein and serves as the first level of conflict resolution.
3. The Bureau Contract Manager shall be included in all correspondence regarding amendments to this Agreement.

III. FUNDING / COMPENSATION / ALLOWABLE COSTS

- A. Except as otherwise described below, PHB shall pay PDC, on a reimbursement basis for work performed under the Scope of Work, a sum not to exceed that amount set forth in Exhibit B (the "Budget") attached hereto and incorporated herein by this reference. The PDC Contract Signatory and the PHB Contract Signatory are authorized to modify the Budget, through a duly executed amendment to this Agreement, if sufficient funds have been appropriated in the city of Portland's Budget and sufficient funds have been appropriated in the PDC Budget to cover the cost of delivering the services under this Agreement.
- B. The full amount of the funds is authorized in PHB's budget for Fiscal Year 2015-16.
- C. In addition to (and not in lieu of) reimbursement of the costs described in Section III(E) below, PHB shall pay PDC \$1,000 per month (pro-rated for any partial month of service) for hosting MITAS data on PDC servers under Section I(B)(1) of the Scope of Work.
- D. [Section Intentionally Blank]
- E. In addition to the fees set forth above and up to the total amount set forth in the Budget, PDC may seek reimbursement from PHB under this Agreement for the costs set forth below, reasonably incurred by PDC in performing services falling within the Scope of Work. The line items in the Budget are included for illustrative purposes only and are not intended as a limitation on costs reimbursable under this Agreement.
 1. Direct Costs
 - a) Personnel Services. Reimbursement for direct wages paid to personnel. Such reimbursement shall be calculated at the base hourly rate for the employee performing as established by PDC and specified in the billings to PHB.

- b) Benefit Costs. Reimbursement for the fully loaded, actual benefit costs associated with direct wages, which represents the actual benefit load attributable to the respective employees. The budgeted benefit reimbursement is FORTY THREE AND NINETY THREE TENTHS PERCENT (40.7%) of direct wages, which represents the average full benefit load attributable to PDC employees.
 - c) Materials & Services. Actual costs for the purchase of materials, supplies, and services, or reimbursement of incidental expenses. Costs, including personnel services, incurred for out of town travel, training, education or equipment purchase are reimbursable under this Agreement.
 - d) Contracted Services. Reimbursement for contracted professional, construction or other services.
2. Indirect Costs. Reimbursement for overhead costs at the rate established annually by the PDC. For Fiscal Year 2015-16 of this Agreement the rate will be no more than \$17.00 per hour of personnel services time billed to PHB under this Agreement, with the final rate determined based on PDC's Fiscal Year 2015-16 Adopted Budget for facilities and information technology support services. Indirect costs pay for generally fixed costs related to administration and operation, as well as program management costs including Board of Commissioner charges, executive management staff, rent, telephone, power, insurance, office supplies, and equipment.

IV. BILLING AND PAYMENT PROCEDURE

- A. PDC shall submit to the PHB Contract Manager a monthly itemized billing for work performed under the Scope of Work. In order to receive timely payment, interim billings must be received no later than thirty (30) days following the close of a billing period. Interim billings may be submitted prior to the end of a billing period in order to manage cash flow at PDC.
- B. Each billing shall include a Billing Detail Report in a format created and/or approved by PHB. At a minimum, each billing shall include the information set forth below. PDC and PHB financial staff shall meet in June 2016 to confer on the status of progress billings and on steps necessary to minimize billings, for work performed under this Agreement, after June 30, 2016.
 - 1. A description of the nature and cost of work accomplished;
 - 2. The names, rates and hours worked of personnel;
 - 3. Disbursements to consultants, contractors and outside vendors for materials and services;
 - 4. Descriptions of other costs charged as provided for in this Agreement.

- C. If billings are received with incomplete information or disputed items, PHB will advise PDC in writing what specific information is missing or disputed. PHB will proceed to process payment for items not in dispute. PHB will pay billings not in dispute within 30 days of receipt of the billing from PDC.

V. GENERAL

- A. **Termination.** The Termination Date of this Agreement is June 30, 2016. This Agreement may also be terminated at any time by mutual written consent.
- B. Provided the parties have not entered into a subsequent agreement to continue the services described in the Scope of Work, upon termination of this Agreement, the work shall cease promptly and a final billing request submitted within sixty (60) days of the effective date of termination. Eligible costs incurred through the date of Agreement termination will be reimbursed.
- C. **Conflict Resolution.** If a dispute arises regarding performance under this Agreement, both parties agree to exercise good faith in expeditiously resolving said conflict in the following manner.
 - 1. All conflicts should first be discussed and resolved if at all possible by the Contract Managers specified in Section II.
 - 2. Any conflicts not resolved by the Contract Managers shall be elevated to the Contract Signatories for discussion and resolution.
- D. **Compliance with Laws.** In connection with its activities under this Agreement, the parties shall comply with all applicable federal, state and local laws and regulations.
- E. **Indemnification.**
 - 1. Subject to the limits of the Oregon Tort Claims Act and Oregon Constitution, PHB agrees to indemnify, hold harmless and defend, PDC, its directors, officers, employees and agents from and against all claims, suits, actions of whatsoever nature, damages or losses, and all expenses and costs incidental to the investigation and defense thereof, resulting from or arising out of the activities of PHB, its officers, employees or agents under this Agreement. If PHB overrides decisions made by PDC as to the acceptable use of a Managed Property that results in damage to the Managed Property or third party liability claims, PHB will defend PDC from any resulting claims.
 - 2. Subject to the limits of the Oregon Tort Claims Act and Oregon Constitution, PDC agrees to indemnify, hold harmless and defend, City, its officers, employees and agents from and against all claims, suits, actions of whatsoever nature, damages or losses, and all expenses and costs incidental to the investigation and defense thereof, resulting from or

arising out of the activities of PDC, its directors, employees or agents under this Agreement.

- F. **Subcontracting.** PDC may engage subcontractors but shall remain obligated for full performance hereunder, and PHB shall incur no obligation to any such subcontractor. PDC shall have the sole authority to direct the work of any authorized and approved subcontractors. The costs of services provided by subcontractors are eligible for reimbursement under Section III(E) as materials and services or contracted services costs.
 - G. **Status Reports.** PDC shall submit data and information to PHB on its activities under this Agreement, as PHB may reasonably request from time to time in order to monitor the delivery of services and the expenditure of funds budgeted for the services.
 - H. **Delivery / Maintenance of Records.** PDC shall maintain records on a current basis to support its billings to PHB for work performed under this Agreement and shall retain those records until the earlier of 3 years after termination of this Agreement or the date that any dispute arising under this Agreement is resolved. PHB or its authorized representative shall have the authority to inspect, audit and copy, on reasonable notice and from time to time, any records of PDC regarding its billings or its work hereunder, for a period of 3 years after termination of this Agreement.
- VI. **Amendments.** This Agreement may be amended only in writing signed by the Contract Signatories; provided, however, that amendments that modify the Scope of Work but do not increase the Budget, may be signed by the parties respective Contract Managers .
- VII. **Effect of Termination.** Sections V(E), V(H) and VII shall survive termination of this Agreement.

[Signature page to follow]

IN WITNESS WHEREOF, PHB and PDC have executed this Agreement as of the Effective Date.

DO NOT EXECUTE

CITY OF PORTLAND HOUSING BUREAU

PORTLAND DEVELOPMENT COMMISSION

, Director

Patrick Quinton, Executive Director

Date

Date

APPROVED AS TO FORM:

APPROVED AS TO FORM:

City Attorney

Legal Counsel

City Auditor

Date

EXHIBIT A
PROPERTY MANAGED FOR PHB

URA	PROPERTY NAME/ADDRESS	TAX ID
Gateway	Children's Receiving Center, parking lot portion	R319949
Interstate	QUAD Society Housing Project 2600 N. Williams Avenue Portland, OR 97227	R102436
OCC-Lloyd	King Crusher Site 1306 NE 2nd Avenue Portland, OR 97232	R182174 R182175
OCC-Lloyd	Cosmopolitan Housing Tower Site 1034 NE Grand Avenue Portland, OR 97232	R182141 R182140 R182139
Interstate	King-Parks Housing Project – North Lot 6445 NE MLK Jr. Blvd Portland, OR 97211	R243868
Interstate	King-Parks Housing Project – South Lots 6445 NE MLK Jr. Blvd Portland, OR 97211	R243866 R243867
Interstate	Former Grant Warehouse Lot 3368 NE MLK Jr. Blvd Portland, OR 97212	R102083
Interstate	Former McCann Lots 427 NE Cook Street Portland, OR 97212	R102082 R520694
Interstate	Former Lenske Lot NEC/NE Cook Street & NE MLK Jr. Blvd	R102081
River District	Fairfield Hotel 1101-1121 SW Stark Street Portland, OR 97205	R246179
River District	Resource Access Center Remnant Lots NW Hoyt/Irving/Broadway/6th Avenue Portland, OR 97209	R141465 R626272 R627121 R627253
River District	Hoyt Street NW Raleigh and NW 14 th Portland, OR 97209	R666530
No URA	Headwaters Apartments* 8833 SW 30th Avenue Portland, OR 97210	R570282

PDC will manage the Headwaters Apartments in accordance with Section I(A) and Exhibit A-1 .

EXHIBIT A-1**ADDITIONAL PROPERTY MANAGEMENT SERVICES****HEADWATERS APARTMENTS ONLY**

1. As used in this Exhibit A-1, the following words and phrases have the indicated meanings:

“Bonds” means bonds issued by the city of Portland to finance or refinance the construction of the Headwaters Apartments.

“Coverage Ratio” means the ratio of the Net Revenues to required debt service on the Bonds.

“Net Revenues” means Revenues from the Headwaters Apartments (excluding insurance proceeds and condemnation proceeds other than the proceeds of business interruption and/or rent loss insurance, if available, and proceeds of liability insurance) less Operation and Maintenance Costs, and less required deposits into the project reserve fund for the Headwaters Apartments.

“Operations and Maintenance Costs” means all necessary costs to operate and maintain the Headwaters Apartments, including but not limited to administrative and general expenses, costs of insurance (including reasonable contributions for self-insurance reserves, if any), consulting and technical services and repairs and replacements (to the extent not property classifiable as capital costs), but excluding depreciation (or reserves therefor), amortization of intangibles or other bookkeeping entries of a similar nature, interest on a deferred developer note, if any, and debt services on the Bonds.

“Revenues” means all amounts due to or received by PDC or PHB with respect to the Headwaters Apartments (other than refundable tenant deposits), including, without limitation, all rent and lease payments, laundry and miscellaneous income.

2. Unless otherwise directed by PHB, until all Bonds have been retired or defeased, PDC shall use commercially reasonable efforts to establish and collect rents and other Revenues from the Headwaters Apartments at a level sufficient to meet a 1.20 Coverage Ratio for the Fiscal Year commencing July 1, 2014. PDC shall furnish PHB with information on the Headwaters Apartments as reasonably requested by PHB to prepare necessary certifications on the Coverage Ratio.

3. PDC shall use its best efforts to cause the Headwaters Apartments to comply with all orders of any governmental authorities having jurisdiction under any environmental laws and shall use its best efforts to obtain, keep in effect and comply with all governmental permits and authorizations required by environmental laws with respect to the Headwaters Apartments or any operations at the Headwaters Apartments.

EXHIBIT B

BUDGET

CONTRACT NO.: _____

**INTER GOVERNMENTAL AGREEMENT BETWEEN
CITY OF PORTLAND, PORTLAND HOUSING BUREAU
AND
PORTLAND DEVELOPMENT COMMISSION
*Economic Opportunity Initiative***

This Inter Governmental Agreement (IGA) for services is between the City of Portland, acting by and through its Portland Housing Bureau (PHB), and the Portland Development Commission (Subrecipient) for the implementation of the Economic Opportunity Initiative (EOI) program.

This Contract consists of the following sections:

Part A:	Contract	Page 2
Table A:	Contracted Service Programs	Page 3
Part B:	General Terms and Conditions	Page 4
Part C:	Economic Opportunity Initiative Description	Page 16
Exhibit A:	Anticipated PDC Subcontractors	Page 22
Exhibit B:	Quarterly and Year End Report Form	Page 23
Exhibit C:	PHB Participant Demographic Form	Page 24
Exhibit D:	EOI IDIS Set-Up Form	Page 26
Exhibit D-1:	EOI IDIS Close-Out Form - Microenterprise	Page 27
Exhibit D-2:	EOI IDIS Close-Out Form – Adult and Youth Workforce	Page 29
Exhibit E:	Sample Invoice Form	Page 31

Each party has designated a contract manager to be the formal representative for this IGA. All reports, notices, and other communications required under or relating to this IGA shall be directed to the appropriate individuals identified below.

PHB	Subrecipient
Contract Manager: Jennifer Chang	Contract Manager: Kate Deane
421 SW Sixth Avenue, Suite 500	222 NW Fifth Avenue
Portland, OR 97204	Portland, OR 97209
(503) 823-2391 (phone)	(503) 823-3313 (phone)
(503) 823-2375 (fax)	(503) 865-3891 (fax)
Jennifer.Chang@portlandoregon.gov	deanek@pdc.us

PART A: INTER GOVERNMENTAL AGREEMENT

1. **DESCRIPTION OF SERVICES:** Subrecipient will provide the services included in Table A: Contracted Service Programs and described in Part C.
2. **COMPENSATION:** City shall pay Subrecipient quarterly for provision of services, upon receipt of invoice documenting expenditures and a service report for each program identified in Table A. Total compensation under this IGA shall not exceed TWO MILLION ONE HUNDRED AND FORTY-ONE THOUSAND, EIGHT HUNDRED AND FORTY DOLLARS (\$2,141,840).
3. **REPORTING:** The reporting requirements are contained in Section V of Part C. All final invoices are due on July 7, 2016. The final report is due July 31, 2016.
4. **CITY CONTRACT MANAGER:** The City Contract Manager is authorized to approve work and billings hereunder, to give notices referred to herein, to terminate this IGA as provided herein, and to carry out all other City actions referred to herein.
5. **TERM.** The terms of this IGA shall be effective as of July 1, 2015 and shall terminate on June 30, 2016.

**PORTLAND DEVELOPMENT
COMMISSION****CITY OF PORTLAND**

Patrick Quinton
Executive Director

Date

Javier Mena, Interim Director
Portland Housing Bureau

Date

APPROVED AS TO FORM:**APPROVED AS TO FORM:**

PDC Legal

Date

Tracy Reeve
City Attorney

Date

LaVonne Griffin-Valade
City Auditor

Date

TABLE A: CONTRACTED SERVICE PROGRAMS

Program Title	Budgeted Amount	Fund Source	Part
Economic Opportunity Initiative:		CDBG	C
Microenterprise Development	\$503,173		
Adult Workforce Development	\$846,318		
Youth Workforce Development	\$792,349		
TOTAL	\$2,141,840		

PART B: GENERAL TERMS AND CONDITIONS

- 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.

During the performance of this contract, the Subrecipient, for itself, its assignees and successors in interest (hereinafter referred to as the "Subrecipient") agrees as follows:

(1) Compliance with Regulations: The Subrecipient shall comply with the Regulations relative to nondiscrimination in Federally-assisted programs as set forth in Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as "the Regulations"), which are herein incorporated by reference and made a part of this contract.

(2) Nondiscrimination: The Subrecipient, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, national origin, sex, sexual orientation, age, religion, disability, marital status, or family relationships in the selection and retention of Subrecipients, including procurements of materials and leases of equipment. The Subrecipient shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

(3) Solicitations for Subcontractor, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the Subrecipient for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential Subcontractor or supplier shall be notified by the Subrecipient of the Subrecipient's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, national origin, , sex, sexual orientation, age, religion, disability, marital status, or family relationships.

(4) Information and Reports: The Subrecipient shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the *City of Portland* or any state or federal agency to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a Subrecipient is in the exclusive possession of another who fails or refuses to furnish this information the Subrecipient shall so certify to the *City of Portland* or the any state or federal agency as appropriate, and shall set forth what efforts it has made to obtain the information.

(5) Sanctions for Noncompliance: In the event of the Subrecipient's noncompliance with the nondiscrimination provisions of this contract, the *City of Portland* shall impose such contract sanctions as it or any state or federal agency may determine to be appropriate, including, but not limited to:

- (a) withholding of payments to the Subrecipient under the contract until the Subrecipient complies, and/or

- (b) cancellation, termination or suspension of the contract, in whole or in part.

(6) Incorporation of Provisions: The Subrecipient shall include the provisions of paragraphs (1) through (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto.

The Subrecipient shall take such action with respect to any Subrecipient procurement as the *City of Portland* or any state or federal agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that, in the event a Subrecipient becomes involved in, or is threatened with, litigation with a Subrecipient or supplier as a result of such direction, the Subrecipient may request the *City of Portland* to enter into such litigation to protect the interests of the *City of Portland*, and, in addition, the Subrecipient may request the United States to enter into such litigation to protect the interests of the United States.

The Subrecipient shall have the responsibility to inquire as to which agencies, if any, have a regulatory interest in the contract and comply with any resulting regulations or requirements.

- 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 five 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 five 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), A-133, 24 CFR 570.502(a) and all of 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, rehabilitation and maintenance 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), Executive Order 13279 (Equal Protection for the Laws for Faith-Based and Community Organizations), pursuant to §570.607(a) regarding the use of federal funds by religious organizations and pursuant to 41 CFR chapter 60.

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.
- MM. The Federal Funding Accountability and Transparency Act (FFATA) requires sub-recipients with federal award over \$25,000 to register and maintain Data Universal Numbering System, (DUNS) and Central Contract Registry, (CCR) numbers. To obtain a DUNS number, and to register with the Central Contractor Registration, (CCR) see links below.

DUNS number registration information can be obtained at:
<https://eupdate.dnb.com/requestoptions.asp>

Registration information for Central Contractor Registry can be found at:
<http://www.bpn.gov/ccr/default.aspx>

**PART C:
ECONOMIC OPPORTUNITY INITIATIVE DESCRIPTION**

I. AUTHORITY

The provision of economic development activities for low income individuals is a goal of the City of Portland and part of the City and County Consolidated Plan. The City Charter directs the Subrecipient to advance social equity and create, maintain and promote a diverse, sustainable community in which economic prosperity and employment opportunities are made available. The City directs CDBG funds to the Subrecipient for administration of a variety of economic development programs and activities under the Economic Opportunity Initiative (EOI).

II. SCOPE OF SERVICES

The EOI is a City-wide economic prosperity program to increase the incomes of very low-income residents. The purpose of the EOI is to assist low-income people to gain employment and increased economic opportunity through participation in two program elements: (1) Microenterprise Development, which offers individualized business education, and technical assistance; and (2) Adult and Youth Workforce Development, which offers intensive training, job and post-secondary placement, advancement in specific career tracks and life skills support. The Subrecipient has operated the EOI since July 2009.

The City agrees and acknowledges the Subrecipient intends to implement the EOI principally through multiple sub-grants of funds made available under this IGA to other Subrecipients, as permitted by, and in accordance with, the federal law governing the Community Development Block Grant (CDBG) Program. Subrecipient will also utilize City General Funds, provided under a separate Inter-governmental Agreement (IGA), to carry out the EOI program. The CDBG budget for EOI is summarized in TABLE A.

Providers funded under the EOI will deliver intensive support and customized workforce or microenterprise development services to participants for up to three years.

The Subrecipient will operate and carry out the following activities:

- A. Oversight and management of all program activities, including outreach, planning, negotiating, preparing and administering all related contracts and agreements, disbursement of funds, accounting, reporting and compliance monitoring with subcontractor agencies.
- B. Provide ongoing technical assistance on program issues, facilitate collaborative needs identification, solve problems, train staff and develop resources to benefit the EOI program.

- C. Subrecipient anticipates subcontracting directly for Microenterprise Development services. Typical services are anticipated to include: Individual business development service plan, delivery of individualized technical assistance and training to business owners on various business matters including but not limited to: licensing, financing and taxes, business plans, financial literacy, legal assistance, marketing, product development, production, and management strategies.
- D. Subrecipient will subcontract Adult Workforce Development and Youth Workforce Development services primarily through Worksystems, Inc., the region's workforce development coordinator. Typical services will include:
 - a. Adult Workforce Development: Individual career plan development, work readiness training, job-specific training, work experience placement and support, job search assistance and placement, retention and advancement supports after job placement.
 - b. Youth Workforce Development: Individual career plan development, career exploration, work and college readiness training, work experience placement and support, post-secondary placement, navigation and support, job search assistance and placement, retention and advancement supports after job or post-secondary placement.

A list of anticipated subcontractors are listed in Exhibit A.

III. COMMITMENT TO EQUITY AGENDA

PHB is incorporating equity goals into all Subrecipient contracts in alignment with The Portland Plan which establishes that in order to ensure everyone has access to the opportunities necessary to satisfy their essential needs, the City will enforce Title VI, track the information needed to understand disparities, evaluate equity impacts, improve evaluation methods and mitigate for disparities.

<http://www.portlandonline.com/portlandplan/index.cfm?c=58776&a=420370>

Our equity goals are also in alignment with the Strategic Plan of the Portland Housing Bureau which directs PHB to work to ensure equitable access to housing by setting clear, measurable equity goals for all PHB programs, incorporating equity goals into all funding applications and contracts, monitoring and reporting on whether we reach our goals, and using proven strategies to increase the use of city-supported housing services by communities of color.

<http://www.portlandoregon.gov/phb/article/427251>

PHB will utilize indicators posted on PHB's website, linked below, to evaluate progress towards our goal of reducing and removing disparities in access and outcomes for communities of color.

<http://www.portlandoregon.gov/phb/60596>

Access

PHB works to ensure equity for communities of color in city-supported housing programs. To evaluate progress PHB will utilize indicators based on the disparity between the rates of poverty for whites and respective communities of color, as measured by ACS data for each community.

In FY 2015-16, PHB desires to reduce disparities in communities' rates of poverty by working with all contractors to increase access to services by communities of color which experience disproportionate poverty rates.

Contractors will be accountable for their efforts to reduce disparities by seeking to provide services to communities of color that contribute to achievement of the overall PHB goals. As described above, PHB will report on and publish our collective progress made in serving communities of color, by program, at least annually.

Outcomes

PHB aspires to reduce and remove the documented disparities experienced by communities of color in service and housing outcomes by working with partners to measure outcomes and implement strategies for service delivery that contribute to the achievement of program specific and bureau wide goals for communities of color.

In FY 2015-16 all Subrecipient contractors will report outcome measures by race/ethnicity.

In FY 2015-16 all Subrecipient contractors will evaluate outcomes by race/ethnicity and if evaluation shows statistically significant disparities in the achievement of outcomes based on race, contractor will work with PHB to determine why such disparate impacts are occurring, and to recommend and implement a remedy to eliminate them.

(Updated equity language will be inserted in prior to FY15-16 contract finalization)

IV. PERFORMANCE MEASURES

- A. The Subrecipient will track and report on the achievement of the following aspirational levels of service (outputs) of EOI during the period of this Contract:
 1. 270 individuals will receive microenterprise services
 2. 450 individuals will receive adult workforce services
 3. 650 individuals will receive youth workforce services
 4. 50% individuals served by EOI will be persons of color
- B. The Subrecipient will track and report on the achievement of the following annual accomplishments (outcomes) for the period of this Contract:
 1. Number of businesses that achieve increased economic stability at exit¹

¹ Economic stability is measured by an increase in gross sales and/or by completing a minimum of three activities on the microenterprise outcome checklist, developed by PDC.

2. Number of adult workforce participants placed in employment at exit
 3. Number of youth workforce participants placed in employment or post-secondary education at exit
- C. The above measures may be refined by the mutual consent of the PHB and PDC Contract Managers in FY 2015-16. Such consent shall be documented in writing and will not require a contract amendment.

V. REPORTING AND MONITORING

- A. Subrecipient shall provide PHB with quarterly progress reports from EOI's performance management systems and will complete the Quarterly and Year End Report Form (Exhibit B) and PHB Participant Demographics Report (Exhibit C). Reports are due no later than **October 31, 2015, January 31, 2016, April 30, 2016 and July 31, 2016**. Subrecipient will include in the final report complete project close-outs for each EOI subcontractor, using the form (Exhibits D-1 and D-2). Extensions to reporting deadlines may be granted with approval from the City Contract Manager.
- B. All project set-ups and draw-downs will be processed by PHB through the HUD IDIS systems. For annual CBDG contracts, Subrecipient will complete the project set-up form (Exhibit D) and send it to PHB as soon as the contract is finalized. For amendments, the set up form must be completed and sent to PHB when the amendment is first drafted to allow time for a Consolidated Plan Amendment. PHB will return setups if there are problems to be corrected and will provide Subrecipient written verification of setup entries.
- C. Financial invoices may be submitted monthly or quarterly (within 30 days of the end of the reporting period). Subrecipient will use the attached invoice form (Exhibit E). The year-end financial report will be submitted by **July 7, 2016**. Late program and financial reports submitted to the City may result in delayed payment to the Subrecipient for services rendered.
- D. Subrecipient shall submit outcome data as reasonably requested by PHB.
- E. PHB will provide Subrecipient with monthly reports of all IDIS balances; Subrecipient will reconcile the IDIS reports to project balances in Subrecipient's financial systems. If discrepancies exist, Subrecipient and PHB will work to determine the source of the discrepancy and the required corrective action.
- F. Subrecipient will monitor its contracted subcontractors to ensure compliance with CDBG fund regulations, including, but not limited to, the following components:
- Desk monitoring
 - Assessment of cost reasonableness
 - Risk assessment
 - Contract file completeness

- Performance of on-site monitoring visit(s) to at least ten percent of contracted subrecipients receiving CDBG funds within the contract year.
- G. PHB will provide Subrecipient with document templates and/or technical assistance in order to implement monitoring activities in compliance with CDBG regulations.

VI. COMPENSATION AND METHOD OF PAYMENT

PHB shall provide the following funding to Subrecipient for performance of the work described in the Scope of Services above:

- A. PHB will provide Subrecipient with \$2,141,840 in CDBG funding for FY15-16.
- B. PHB shall pay all compensation to Subrecipient under this Agreement on an expense reimbursement basis for CDBG expenses identified in the Budget on TABLE A of this contract, and reasonably incurred by Subrecipient in performing the work described in the Scope of Services. Requests for expense reimbursement shall be submitted and processed as described in Section C below.
- C. Subrecipient shall submit requests for expense reimbursement in the form of Exhibit E attached hereto, to PHB monthly for expenses accrued in the prior calendar month. Periodic reimbursement requests between monthly billings may be submitted on an interim basis as approved by both Subrecipient and PHB. PHB shall make payment to Subrecipient within 30 business days of receiving a billing. If for some reason payment cannot be made due to errors or omissions then PHB will request from Subrecipient a corrected billing within the 30 day period. The request for corrected billing shall detail all deficiencies in the billing which have caused payment to be withheld.

VII. SURVIVAL OF CERTAIN PROVISIONS

Part C Section VI(C) (with respect to billings for work performed prior to termination of this IGA) and Part B Sections (G), (H), and (I) shall survive termination of this IGA in accordance with their terms. Part B Section (J) shall survive termination of this IGA for a period of five years. The obligations and duties of this IGA related to the receipt and use of federal funds, or program income derived therefore, shall remain binding on Subrecipient during any period that Subrecipient has control of such funds received or generated under this IGA.

DO NOT EXECUTE

EXHIBIT A
Anticipated Microenterprise and Workforce Development Subcontractors

Subcontractor	Contract Administrator
<i>Microenterprise</i>	
Hacienda	PDC
Hispanic Metropolitan Chamber	PDC
IRCO	PDC
MESO	PDC
NAYA	PDC
Neighborhood House	PDC
PSU	PDC
<i>Adult Workforce</i>	
CCC	PDC
Human Solutions (PDC)	PDC
Human Solutions (SEI)	WSI
IRCO	WSI
IRCO (CTI)	WSI
Oregon Tradeswomen (CH)	WSI
SE Works (PDC)	PDC
SE Works-PICP	WSI
SE Works-PREP	WSI
<i>Youth Workforce</i>	
IRCO	WSI
IRCO WEX	WSI
NAYA	WSI
New Avenues	WSI
Open Meadow	WSI
POIC	WSI
SE Works (PDC)	PDC
Youth Build	WSI

EXHIBIT B
Quarterly and Year-End Report

Subrecipient Name:	Portland Development Commission
Contract Number:	3
Program Title:	Economic Opportunity Initiative (EOI)
	<input type="checkbox"/> 1 st Quarter: July 1 to September 30, 2015 <input type="checkbox"/> 2 nd Quarter: October 1 to December 31, 2015 <input type="checkbox"/> 3 rd Quarter: January 1 to March 30, 2016 <input type="checkbox"/> 4 th Quarter: April 1 to June 30, 2016 <input type="checkbox"/> Year-End: July 1, 2015 to June 30, 2016

I. Progress towards anticipated outputs and outcomes (Note: Reported outputs and outcomes are for services provided through the EOI program which is funded with CDBG Funds and City General Funds. For youth workforce development, outputs and outcomes are also driven by an additional investment of Workforce Investment Act Funds and Multnomah County Funds by Worksystems, Inc.)

	1 st Quarter	2 nd Quarter (new enrollees)	3 rd Quarter (new enrollees)	4 th Quarter (new enrollees)	Total	Annual Aspirational Goals
OUTPUTS						
# individuals served-microenterprise						270
# of individuals served-adult workforce						450
# of individuals served-youth workforce						650
% of individuals of color served (all EOI)						50%
OUTCOMES (reported at year-end)						Program Exit Goal
# businesses achieving increased economic stability						
# adults placed in employment at exit						
# youth placed in employment or post-secondary education at exit						

II. Describe the highlights or successes of the program over the reporting period.

III. Describe the challenges or problems encountered by your program over the reporting period. How will your agency address the challenges/problems? *(Please limit your response to 1 page)*

Reports are due 30 days after the end of the quarter. Return to Dawn Martin via email:
Dawn.Martin@portlandoregon.gov

EXHIBIT C
Participant Demographics Report

Complete a copy of this report for each of the different programs/projects funded under this contract.

Choose one of the following categories: individuals or households, and enter all info based on that category. The #'s below are based on:

☐ Individuals OR ☐ Heads of Households

Please make sure that totals of each category below match.

Total Number of Individuals or Households _____

1. Gender

Gender	TOTAL Clients Receiving Services This Quarter
Male	
Female	
Total*	

*Total should add up to the total people or households served

2. Race or Origin

Purpose and Instructions: This section reports data on the race or origin of your clients. To ensure that accuracy exists and to ensure that no one needs to enter the identity of "other", we ask that you define identity as specifically as you can. We do not include a "multiracial" category and instead ask that individuals of more than one race be included in each of the races specified. This will cause the race in combination categories to sum to more than the population count.

2a. Race and Origin (PHB)

Race (Required)	Total # Clients Receiving Services This Quarter
African	
Middle Eastern	
Slavic	
Total	

2b. Race and Origin (HUD)

Purpose and Instructions: This section reports data on the race and ethnicity of your clients to the Department of Housing and Urban Development (HUD). The HUD database requires that clients be singly identified in the categories below.

Race (Required)	Number of Clients Receiving Services		
	TOTAL	Hispanic	Non-Hispanic
White			
Black/African American			
American Indian/Alaskan Native			
Asian			
Native Hawaiian/Other Pacific Islander			
American Indian/Alaskan Native & White			
Asian & White			
Black/African American & White			
American Indian/Alaskan Native, & African American/Black			
Other			
Total*			

*Total should add up to the total people or households served

3. Income

Income (Required)	Total # Clients Receiving Services This Quarter
0%-30% of MFI (Very Low Income)	
31%-50% of MFI (Low Income)	
51%-80% of MFI (Moderate Income)	
Over 80% of MFI	
<i>Total Low/Moderate Income</i>	
Total*	

*Total should add up to the total people served

EXHIBIT D
EOI IDIS Set-Up Form

	INFORMATION REQUESTED	RESPONSE
	Date	
	Subcontractor Agency Name	
	Activity Contract Manager	
	Contract Manager Phone Number	
	Is this an original Set-up? (Y or N)	
	Is this a revision to a previous Set-up? (Y or N)	
	Previous set-up activity name	
	GENERAL INFORMATION-ALL ACTIVITIES	
1A	CDBG National Objective Code (LMC)	LMC
1B	Performance Objective	Econ. Opportunity
2	Performance Outcome (choose "Availability/Accessibility" or "Sustainability")	
3	Activity Name	
4	Activity Address (include zip code)	
5	Activity Description	
6	Contract period (begins/ends) (Initial Funding Date)	
7	HUD Matrix Code: 05D - Youth workforce 05H - Adult workforce 18C - Microenterprise 21A - General Administrative Costs 21B - Indirect Costs	
8	CDBG Costs (break out by categories below):	
	Program Delivery	
	General Administration	
	Indirect	
	Total	
9	Proposed Accomplishment Type (People or Businesses)	
10	Will the Activity prevent homelessness? (Yes or No)	No
11	Will the Activity help the homeless? (Yes or No) Note: Respond with "no" unless the program serves homeless or formerly homeless individuals	
12	Will the Activity help those with HIV/AIDS? (Yes or No)	No
13	Will the Activity help persons with a disability? (Yes or No)	No
	ECONOMIC DEVELOPMENT	
14	Workforce Activities: Number of people served in contract year	
15	Microenterprise Activities: Number of businesses served in contract year	

**EXHIBIT D-1
IDIS CLOSE OUT FORM – MICROENTERPRISE**

Complete a copy of this report for each of the different activities funded under this contract.

1. Activity Name:
2. Closeout Narrative:
3. Total Number of Individuals: _____

Demographics

4a. Race and Origin (HUD)

Purpose and Instructions: This section reports data on the race and ethnicity of your clients to the Department of Housing and Urban Development (HUD). The HUD database requires that clients be singly identified in the categories below.

Race (Required)	Total Year-To- Date	Hispanic Year- To-Date	Non- Hispanic Year- To-Date
White			
Black/African American			
American Indian/Alaskan Native			
Asian			
Native Hawaiian/ Pacific Islander			
American Indian/Alaskan Native & White			
Asian & White			
Black/African American & White			
American Indian/Alaskan Native & African American/Black			
Other			
Total*			

*Total should add up to the total people served

4b. Income

Income (Required)	Total Year-To-Date
Very Low Income 0-30% MFI	
Low Income 31-50% of MFI	
Moderate Income 51%-79% of MFI	
Over 80% of MFI	
<i>Total Low/Moderate Income</i>	
Total*	

*Total should add up to the total people served

4c. Other

Other	Total Year-To-Date
Female Head of Household (Required)	

5. Businesses (Microenterprise) – Completing this section is optional

Businesses	Total Year-To-Date
New Business Assisted	
Existing Business Assisted	
Business Relocating	
Business Expanding	
Total*	

*Total should add up to the total businesses assisted

6. Job Creation/Retention (Microenterprise) - Completing this section is optional

	Total Job Count				Percent
	Full Time	Full Time Low/Mod	Part Time	Part Time Low/Mod	Low/Mod Jobs (%)
Actually Created					
Actually Retained					

Total Actual FTE Jobs: _____

7. Specific DUNS # for Each Business Assisted (Use as many lines as needed) - Completing this section is optional

Business Name	DUNS Number(s)

EXHIBIT D-2
IDIS CLOSE OUT FORM – ADULT AND YOUTH WORKFORCE

Complete a copy of this report for each of the different activities funded under this contract.

1. Activity Name:
2. Closeout Narrative:
3. Total Number of Individuals: _____

Demographics

4a. Race and Origin (HUD)

Purpose and Instructions: This section reports data on the race and ethnicity of your clients to the Department of Housing and Urban Development (HUD). The HUD database requires that clients be singly identified in the categories below.

Race (Required)	Total Year-To- Date	Hispanic Year- To-Date	Non- Hispanic Year- To-Date
White			
Black/African American			
American Indian/Alaskan Native			
Asian			
Native Hawaiian/ Pacific Islander			
American Indian/Alaskan Native & White			
Asian & White			
Black/African American & White			
American Indian/Alaskan Native & African American/Black			
Other			
Total*			

*Total should add up to the total people served

4b. Income

Income (Required)	Total Year-To-Date
Extremely Low 0%-30% MFI	
Low 31-50% of MFI	
Moderate Income 51%-79% of MFI	
Over 80% of MFI	
<i>Total Low/Moderate Income</i>	
Total*	

*Total should add up to the total people served

4c. Other

Other	Total Year-To-Date
Female Head of Household (Required)	

EXHIBIT E SAMPLE INVOICE FORM

Date: _____

To: City of Portland/PHB

Attn: Jennifer Chang

421 SW 6th Avenue, Suite 500

Portland, OR 97204

PDC Invoice No: _____

Remit to:

Portland Development Commission

222 NW 5th Ave

Portland OR 97209

Contract #: 3 _____

Billing Period: _____

Community Development Block Grant

Budget Category	Contracted Budget	Amount this Bill	Amount Billed to Date	Balance
Microenterprise: Program Delivery	\$503,173			
Hacienda				
Hispanic Metropolitan Chamber				
IRCO				
MESO				
NAYA				
Neighborhood House				
PSU				
Adult Workforce Delivery	\$846,318			
CCC				
Human Solutions (PDC)				
Human Solutions (SEI)				
IRCO				
IRCO (CTI)				
Oregon Tradeswomen (CH)				
SE Works (PDC)				
SE Works-PICP				
SE Works-PREP				
Youth Workforce Delivery	\$792,349			
IRCO				
IRCO WEX				
NAYA				
New Avenues				
Open Meadow				
POIC				
SE Works (PDC)				
Youth Build				
Total CDBG	\$2,141,840			

NOTE: Please reproduce this form on agency letterhead or submit cover letter to this invoice that includes total requested and authorizing signature.

Please reproduce this form on agency letterhead or submit cover letter to this invoice requested and authorizing signature.