

**COMMUNITY DEVELOPMENT BLOCK GRANT
AGREEMENT
BETWEEN
COUNTY OF SANTA BARBARA
AND
THE CITY OF CARPINTERIA
FOR
MAIN SIDEWALK IN-FILL PROJECT**

CFDA 14.218

THIS AGREEMENT (herein called the "Agreement") is made and entered into by and between the COUNTY of Santa Barbara (herein called the "COUNTY"), a political subdivision of the State of California, and the City of Carpinteria (herein called the "CITY"), whose address is 5775 Carpinteria Avenue, Carpinteria, CA 93013 and is made with reference to the following:

WHEREAS, the COUNTY has secured funding pursuant to the Community Development Block Grant program ("CDBG Funds") from the United States Department of Housing and Urban Development ("HUD") under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383 (42 U.S.C. §§ 5301 et seq.); and the regulations promulgated thereunder (24 CFR Part 570) ("Regulations"); and

WHEREAS, the CITY represents that it has the skills, expertise, and all licenses and permits necessary to carry out the project described under this Agreement; and

WHEREAS, the CITY is the subrecipient receiving a federal subaward as identified in Exhibit I in accordance with 2CFR 200.331(a)(1); and

WHEREAS, on May 12, 2015, the COUNTY approved under the Fiscal Year 2015-2016 Annual Action Plan the CITY'S use of CDBG funds to carry out the project described in the Statement of Work attached hereto as Exhibit A and incorporated herein by this reference ("Statement of Work"), sometimes hereinafter referred to as the "Project"; and

WHEREAS, the COUNTY desires to make available to CITY a grant of CDBG Funds in an amount not to exceed One Hundred Forty-Seven Thousand Nine Hundred Twenty-One Dollars and No Cents (\$147,921) ("COUNTY Grant") to be used by CITY to perform the work as stated and set out in the Statement of Work, attached hereto as Exhibit A and in the Project Budget, attached hereto as Exhibit B, and to carry out the Project as permitted by the HCD Act and the Regulations and according to the terms and conditions more particularly set forth herein; and

WHEREAS, CITY'S use of CDBG Funds in carrying out the Project are eligible activities under 24 CFR Subpart C, §§ 570.200 et seq.;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, it is agreed between the parties hereto that:

I. **SCOPE OF WORK**

A. General

All work stated and set out in the Statement of Work will be performed around 5201 Eighth Street, Carpinteria. CA 93013, California, under the supervision of Charles Ebeling, Director of Public Works, who shall ensure that the background and qualifications of the CITY's staff, contractors and subcontractors performing the work stated and set out in the Statement of Work and carrying out the Project are appropriate and, if applicable, meet the minimum standards established by pertinent licensing bodies.

B. Statement of Work

Under this Agreement, CITY will carry out and invoice the County for reimbursement of expenses under the CDBG Program for the Project, including pre-construction costs (appraisal fees, studies, permits, etc.), construction labor and materials, and project management/activity delivery. The Project meets one of the criteria under 24 CFR 570.208, specifically 24 CFR 570.208(a)(1), and also complies with one or more of HUD's National Objectives as required under 570.200(a)(2) by benefitting low- and moderate-income persons. The use of CDBG funds for the Project qualifies as an eligible activity under the Low Mod Area Benefit (LMA) as the Project will benefit an area where at least 51 percent (51%) of the residents are low- and moderate-income persons. The use of CDBG Funds for the Project will not exceed \$147,921. CITY shall invoice the County for reimbursement under the CDBG Program. The Statement of Work includes the activities eligible under the Community Development Block Grant program as set forth in Exhibit A to this Agreement. CITY will be responsible for performing the work stated and set out in the Statement of Work and carrying out the Project in a manner satisfactory to the COUNTY and consistent with all federal requirements and standards required as a condition of providing these CDBG Funds.

C. Staffing

Any changes in the staff who perform work under this Agreement must be approved in writing by the COUNTY's Division of Housing and Community Development (COUNTY HCD). All of the work stated and set out in the Statement of Work shall be performed by CITY or under CITY's supervision. CITY represents that it possesses, and that its contractors and subcontractors shall possess, the professional and technical personnel required to perform the work stated and set out in the Statement of Work required by this Agreement, and that it and its contractors and subcontractors will perform all work stated and set out in the Statement of Work in a manner commensurate with the highest professional standards. The CITY and its contractors and subcontractors shall perform all work in a manner commensurate with their own usual and customary standards and with the reasonable and ordinary level of care provided by others performing similar or like work.

All work stated and set out in the Statement of Work shall be performed by qualified and experienced personnel who are not employed by COUNTY. CITY represents and warrants that the work stated and set out in the Statement of Work to be performed will conform to the requirements of this Agreement, all applicable federal, state and local laws, and the highest professional standards.

CITY represents and warrants to COUNTY that it and its contractors and subcontractors have, shall obtain, and shall keep in full force and effect during the term hereof, at their sole

cost and expense, all licenses, permits, qualifications, insurance and approvals of whatsoever nature that are legally required to practice their professions.

D. Performance Monitoring

The COUNTY will monitor the performance of the CITY against goals and performance standards set forth in the Statement of Work. CITY's substandard performance as determined by the COUNTY will constitute CITY's noncompliance with this Agreement. If action to correct such substandard performance is not taken by the CITY within seven (7) business days after being notified by the COUNTY, contract suspension or termination procedures will be initiated as more fully detailed in Section VI.F.

E. Changes

Any changes to this Agreement, unless otherwise noted, may only be made through a written amendment to this Agreement executed by COUNTY and CITY. COUNTY and CITY may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, are executed in writing, and signed by a duly authorized representative of each party. Such amendments shall not invalidate any parts of this Agreement that are not changed by the amendment, nor relieve or release COUNTY or CITY from its obligations under this Agreement that are not changed by the amendment. CITY agrees to not unreasonably withhold its approval of any amendments proposed by COUNTY that are necessary in order to conform with federal, state or local governmental laws, regulations, ordinances, orders, rules, directives, circulars, bulletins, notices, guidelines, policies and available funding amounts.

If this Agreement is executed on behalf of COUNTY by the County Purchasing Agent (or designee) or the Director of the County Community Services Department (or designee) or both, the same duly authorized representative(s) shall execute any amendments to this Agreement in the same fashion subject to all other applicable requirements set forth herein. If this Agreement is approved by the County Board of Supervisors and executed by the Chair of the Board of Supervisors on behalf of COUNTY, any amendments to this Agreement must be approved and executed in the same manner except the Director of the County Community Services Department or designee is authorized to approve at his or her discretion and execute amendments on behalf of COUNTY to make any one or more of the following changes:

1. Changes to the Budget attached hereto as Exhibit B. Such changes shall be limited to (a) revisions to the amounts in each Budget line item, provided that the overall amount of the CDBG funds is not increased; and (b) additions to or deletions of the line items in the Budget; provided that all expenditures are eligible pursuant to 24 CFR part 570. In no event shall an amendment be made pursuant to this subsection I.E.1 that will result in any change to the Scope of Services attached hereto as Exhibit A.
2. Administrative changes to the Agreement that are necessary in order to conform with federal, state or local governmental laws, regulations, ordinances, orders, rules, directives, circulars, bulletins, notices, guidelines, policies and available funding amounts.

3. Changes extending the length of the Term as described in Section II up to a maximum of 6 months. This Section shall not obligate the County to extend the length of the Term at CITY's request or otherwise alter the County's rights to terminate this Agreement or reduce the award as set forth in Section VI.F. Any change made to the length of the Term pursuant to this Section shall not alter or waive the County's rights under this agreement, including but not limited to the County's right to terminate this Agreement as set forth in Section VI.F.

F. COUNTY Recognition

CITY shall ensure recognition of the role of the COUNTY in providing CDBG Funds through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the CITY shall include a reference to the support provided herein in all publications made possible with CDBG Funds made available under this Agreement.

II. **TERM**

This Agreement shall begin on the date executed by all parties, and end on August 31, 2016, unless such time is extended by written Amendment executed in the same manner as this Agreement, or unless terminated earlier or there are no CDBG Funds available for any reason.

A. Time Of Performance

All work to be performed hereunder and set out in the Statement of Work shall be completed by the expiration date. However, CITY's obligations to complete the Scope of Work shall survive the expiration of the term of this Agreement, and COUNTY may extend the term of this Agreement as stated in Section I.E and any provisions herein that COUNTY deems necessary to ensure such completion.

B. Reversion of Assets.

Upon the expiration of this Agreement, the CITY shall transfer to the COUNTY any CDBG funds it has on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds. Any real property under the CITY'S control that was acquired or improved in whole or in part with CDBG Funds in excess of \$25,000 shall either be either:

1. Used to meet one of the national objectives in 24 CFR 570.208 (formerly 24 CFR 570.901) until five years after expiration of the Agreement, or for such longer period of time as determined to be appropriate by COUNTY. Any change in use to meet one of the aforementioned national objectives shall first be approved in writing by COUNTY HCD; (or
2. Not used in accordance with Section II.B.1, in which event the CITY shall pay to the COUNTY an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-CDBG Funds for the acquisition of, or improvement to, the property. The payment is program income to the COUNTY.
3. To determine the current market value of the property, the CITY shall obtain a real estate appraisal of the property, performed by a California licensed real estate

appraiser. Such appraiser must be approved by the COUNTY and the CITY. An alternate method of valuation may be used by mutual written consent of the COUNTY and CITY.

4. The COUNTY will determine the amount due to the COUNTY in accordance with Section B.2.

III. BUDGET

The budget prepared by the CITY and provided to COUNTY for the performance of the work stated and set out in the Statement of Work is delineated in Exhibit B to this Agreement.

COUNTY HCD may require a more detailed budget breakdown than the one contained herein, and the CITY shall provide such supplementary budget information within one (1) week of COUNTY HCD's request for a more detailed budget breakdown in the form and content prescribed by COUNTY HCD. Any amendments to the budget must be approved in accordance with Section I.E.

CITY represents that the budget includes only allowable costs and an accurate analysis of costs acceptable under the CDBG Program pursuant to the Regulations, including, but not limited to, 2 CFR Part 230 and 24 CFR 570.502(b), which includes requirements for compliance with and found in the provisions contained in the Federal Office of Management and Budget Circular 2 CFR Part 2400 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, the related CDBG provisions, and all Subparts and Appendices, as applicable. These items shall be in sufficient detail to provide a sound basis for the COUNTY to effectively monitor CITY's performance under the Agreement.

IV. PAYMENT

Upon compliance with the reporting requirements outlined in Section VII.C below, it is expressly agreed and understood that the total amount to be reimbursed by the COUNTY to the CITY under this Agreement shall not exceed the budget delineated in Exhibit B. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in Exhibit B hereto and in accordance with completion of work, as detailed in the Scope of Work. Upon the submission of an acceptable "Expenditure Summary and Payment Request (ESPR)", for which a sample is attached hereto as Exhibit C, together with proper supporting documentation, records and reports required in Sections VII.B and VII.C for the work described in Section I of this Agreement, COUNTY shall review the claim and when approved, make payment.

COUNTY has no obligation to provide CDBG Funds under this Agreement if for any reason there is not funding available from HUD to pass through to CITY or if the Agreement is terminated or suspended.

V. NOTICES

Notices required by this Agreement shall be in writing and delivered via U.S. Mail (postage prepaid), commercial courier, or personal delivery. Notices may be delivered by facsimile or other electronic means if the party to be noticed agrees to delivery by these means and if that delivery is followed by delivery via U.S. Mail (postage prepaid), commercial courier, or personal delivery the next business day. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice:

COUNTY
County of Santa Barbara
Community Services Department,
Division of Housing and Community
Development
Dinah Lockhart, Deputy Director
123 E. Anapamu Street, 2nd Floor
Santa Barbara, CA 93101
Phone: (805) 568-3520

CITY
City of Carpinteria
Department of Public Works
Charles Ebeling, Director
5775 Carpinteria Avenue
Carpinteria, CA, 93013
Phone: (805) 684-5405 Ext. 402

VI. GENERAL CONDITIONS

A. General Compliance

The CITY agrees to comply with the requirements of the Regulations at 24 CFR Part 570, including subpart K, except that (1) the CITY does not assume the COUNTY's environmental responsibilities described in 24 CFR 570.604 and (2) the CITY does not assume the COUNTY's responsibility for initiating the review process under the provisions of 24 CFR Part 52. In addition, the CITY agrees to comply with the Federal Terms and Conditions attached hereto and incorporated herein as Exhibit D and in 2 CFR part 2400 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. CITY agrees to comply with 24 CFR 570.609, the Suspension and debarment rules, and 24 CFR 570.614, the Architectural Barriers Act of 1968. The CITY also agrees to comply with the terms of HUD's award to County, including the grant agreement, assurances in an application, or a notice of award and all other applicable Federal, state and local laws, regulations, ordinances, orders, rules, guidelines, directives, circulars, bulletins, notices and policies governing the CDBG Funds provided under this Agreement. The judgment of any court of competent jurisdiction, or the admission of the CITY in any action or proceeding against CITY, whether the COUNTY is a party thereto or not, that CITY has violated any such law, regulation, ordinance or order, shall be conclusive of that fact as between CITY and COUNTY. The CITY further agrees to utilize CDBG Funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. National Environmental Policy Act (NEPA) Compliance

The COUNTY will identify the need for and will complete any appropriate environmental compliance related requirements, including NEPA (40 CFR 1500-1508 and 24 CFR Part 58), pertinent to CITY's project. Environmental and other associated compliance shall be completed prior to the start of this project. As such, notwithstanding any other provision of this Agreement, COUNTY shall not provide any funds to CITY pursuant to this Agreement, and CITY shall not begin implementation of the assisted activity described in this Agreement or otherwise have any claim to the funds described in this Agreement, until COUNTY provides written notice to the CITY that all applicable environmental and regulatory compliance analyses and clearances have been completed and that CITY may begin implementation of this project. The parties further agree that the provision of any funds to the project is conditioned on the County's determination to proceed with, modify or cancel the project based on the results of a subsequent environmental review.

If CITY begins project activities that require environmental and other regulatory compliance approval prior to receipt of written notice from COUNTY that all such clearances have been obtained, then COUNTY reserves the right to unilaterally terminate this agreement for cause.

C. Independent Contractor

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The CITY shall at all times remain an independent contractor with respect to the work to be performed under this Agreement. COUNTY shall not be responsible for paying any taxes on CITY'S behalf, and should COUNTY be required to do so by state, federal, or local taxing agencies, CITY agrees to promptly reimburse COUNTY for the full value of such paid taxes plus interest and penalty if any. These taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance and workers' compensation Insurance. In addition, CITY understands and acknowledges that it shall not be entitled to any of the benefits of a COUNTY employee, including but not limited to vacation, sick leave, administrative leave, health insurance, disability insurance, retirement, unemployment insurance, workers' compensation and protection of tenure.

D. Insurance and Indemnification

The CITY shall comply with the insurance and indemnification provisions set forth in Exhibit E "Basic Indemnification and Insurance Requirements" attached hereto and incorporated herein.

E. Workers' Compensation

The CITY shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement as set forth in Exhibit E "Basic Indemnification and Insurance Requirements" attached hereto and incorporated herein.

The COUNTY may, in its discretion, amend this Agreement to conform with Federal, state or local governmental laws, regulations, ordinances, orders, rules, directives, circulars, bulletins, notices, guidelines, policies, or available funding amounts.

F. Suspension or Termination

In accordance with 2 CFR Part 2400 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and 24 CFR 570.503 (b)(6), COUNTY may suspend or terminate this Agreement if CITY materially fails to comply with the terms of HUD's award to COUNTY, including, but not limited to, the grant agreement, assurances in an application, or a notice of award or any terms of the Agreement, which include but are not limited to, the following:

- Failure to comply with any of the laws, rules, regulations, ordinances, provisions, orders, guidelines, policies, circulars, bulletins, notices or directives referred to herein, or as may become applicable at any time;
- Failure, for any reason, of CITY to fulfill its obligations under this Agreement;
- Ineffective or improper use of ESG Program funds provided under this Agreement;
- or
- Submittal of reports that are false or that are incorrect or incomplete in any material respect.

1. Termination by COUNTY

COUNTY may, by written notice to CITY, terminate this Agreement in whole or in part at any time, whether for COUNTY's convenience, for nonappropriation of funds, or because of the failure of CITY to fulfill the obligations herein.

- a. **For Convenience.** In accordance with 2 CFR Part 2400, this Agreement may be terminated for convenience by COUNTY with the consent of CITY in which case the two parties shall agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated.
- b. **For Nonappropriation of Funds.** Notwithstanding any other provision of this Agreement, in the event that no funds or insufficient funds are appropriated or budgeted by federal, state or COUNTY governments, or funds are not otherwise available for payments in the fiscal year(s) covered by the term of this Agreement, then COUNTY will notify CITY of such occurrence and COUNTY may terminate or suspend this Agreement in whole or in part, with or without a prior notice period. Subsequent to termination of this Agreement under this provision, COUNTY shall have no obligation to make payments with regard to the remainder of the term.
- c. **For Cause.** Should CITY default in the performance of this Agreement or materially breach any of its provisions, COUNTY may, at COUNTY's sole option, terminate or suspend this Agreement in whole or in part by written notice. Upon receipt of notice, CITY shall immediately discontinue all services affected (unless the notice directs otherwise) and notify COUNTY as to the status of its performance. The date of termination shall be the date the notice is received by CITY, unless the notice directs otherwise.

2. Termination by CITY

In accordance with 2 CFR Part 2400, this Agreement may be terminated by CITY, upon written notification to COUNTY, setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. However, if, in the case of a partial termination, COUNTY determines that the remaining portion of the award will not accomplish the purposes for which the award was made, COUNTY may terminate the award in its entirety under 2 CFR Part 2400.

3. Upon termination, CITY shall deliver to COUNTY all data, estimates, graphs, summaries, reports, and all other property, records, documents or papers as may have been accumulated or produced by CITY in performing this Agreement, whether completed or in process, except such items as COUNTY may, by written permission, permit CITY to retain.
4. If HUD demands reimbursement from COUNTY for COUNTY's payments to CITY due to CITY's failure to comply with the terms of HUD's award to COUNTY, including, but not limited to, the grant agreement, assurances in an application, or a notice of award, any applicable term of this Agreement, or any law, regulation, ordinance, order, rule, directive, circular, bulletin, notice, guideline or policy referred to herein, or as may become applicable at any time, CITY shall fully and completely reimburse COUNTY in the total amount of such disallowed payments.

VII. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Accounting Standards

The CITY agrees to comply with 24 CFR 570.502(b) and 2 CFR Part 2400 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. CITY agrees to adhere to the accounting principles and procedures referenced therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The CITY agrees to comply with 24 CFR 570.610 "Uniform Administrative Requirements and Cost Principles". These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

3. Administrative Requirements

The CITY also agrees to comply with all applicable uniform administrative requirements set forth in 24 CFR 570.502 and all applicable requirements set forth in 24 CFR Part 5 (24 CFR 5.100-5.2011) and found in the provisions contained in the Federal Office of Management and Budget Circular 2 CFR Part 2400 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. CDBG Funds received by CITY from COUNTY pursuant to this Agreement shall be maintained in an account in a banking or savings and loan institution separate and apart from any other funds of CITY or of any principal or member of CITY. No costs shall be invoiced or billed except for expenditures authorized in the budget contained within this Agreement and also Exhibit B. The itemized costs shall be of sufficient detail to provide a sound basis for the COUNTY to effectively monitor costs under this Agreement.

B. Documentation and Record Keeping

1. Records to be Maintained

The CITY shall maintain all records required by the Federal regulations specified in 24 CFR 570.506 or by COUNTY's ordinances or policies that are pertinent to the work to be performed or activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records required to determine the eligibility of activities;
- c. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- d. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- e. Financial records as required by 24 CFR 570.502; and
- f. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Retention

The CITY shall retain all financial records, supporting documents, statistical records, and all other records pertinent to this Agreement for a period of at least four (4) years. The retention period begins on the date of the submission of the COUNTY's annual performance and evaluation report to HUD, as prescribed in 24 CFR 91.520, in which the activities assisted under the Agreement are reported on for the final time rather than from the date of submission of the COUNTY's final expenditure report for HUD's award to County. Notwithstanding the above, if there is litigation, claims, disputes, audits, negotiations or

other actions that involve any of the records and that have started before the expiration of the four-year period, then all records must be retained until completion of the actions and final resolution of all issues, or the expiration of the four-year period, whichever occurs later.

3. Ownership Of Documents

Each and every report, draft, map, record, plan, document and other writing produced (hereinafter "Documents"), prepared or caused to be prepared by CITY, its officers, employees, agents, representatives, contractors and subcontractors, in the course of performing this Agreement, shall be and become the exclusive property of COUNTY, and COUNTY shall have the sole right to use such materials in its sole discretion without further compensation to CITY or any other party. CITY shall, at CITY's own expense, provide such Documents to COUNTY upon COUNTY'S written request.

4. Disclosure

The CITY understands that client information collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of the COUNTY's or CITY's responsibilities with respect to the work performed or the Project described in this Agreement, may be prohibited under state or federal law unless written consent is obtained from such person benefitting from the work performed under this Agreement or the Project and, in the case of a minor, that of a responsible parent/guardian.

5. Close-outs

The CITY also agrees to comply with all grant closeout procedures set forth in 24 CFR § 570.509 and all applicable requirements set forth in 2 CFR Part 2400 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The CITY's obligations to the CITY shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the COUNTY), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the CITY has control over CDBG Funds, including program income.

6. Audits & Inspections

All CITY records with respect to any matters covered by this Agreement shall be made available to the COUNTY, HUD, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the CITY within 30 days after receipt of the audit report by the CITY. Failure of the CITY to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments. The CITY hereby agrees to have an annual agency audit conducted in accordance with current COUNTY policy concerning CITY audits and OMB Circular A-133.

COUNTY shall have the right to audit and review all records maintained by CITY pursuant to the terms of this Agreement. Any such audit or review may be conducted at any time during regular business hours. CITY is responsible for obtaining an audit in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. §§ 7501 et seq.) and Federal agency implementing regulations, all as amended from time to time. The audit shall be made by an independent auditor in accordance with generally accepted government auditing standards covering financial and compliance audits.

7. Access to Records

The CITY shall furnish and cause each of its own contractors and subcontractors to furnish all information and reports required hereunder and will permit access to books, records and accounts by the COUNTY, HUD or other authorized officials or their agents, to ascertain compliance with the laws, rules, regulations, executive orders, ordinances, resolutions, guidelines, policies, directives, standards and provisions stated in this Agreement or the CDBG program.

C. Reports

CITY shall provide the COUNTY with a monthly Project Status Report during the construction period and Project Completion Report following the completion of construction (Exhibit F). The Project Status Report is due by the 10th day of the month following the reporting month, and the Project Completion Report is due within 10 days following Project completion, as evidenced by a recorded Notice of Completion or final inspection by the local jurisdiction or other evidence as determined by COUNTY HCD. If CITY fails to submit reports when due, COUNTY may withhold CDBG Funds until the required written Reports are received.

VIII. PERSONNEL & PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

The CITY shall comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C., §§ 2000d et seq.), Title VIII of the Civil Rights Act of 1968 (42 U.S.C., §§ 3601 et seq.), Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 (42 U.S.C., §§ 5301 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C., §§ 791 et seq.), the Americans with Disabilities Act of 1990 (42 U.S.C., §§ 12101 et seq.), the Age Discrimination Act of 1975 (42 U.S.C., §§ 6101 et seq.), Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086, and all implementing regulations, and all as may be amended.

2. Nondiscrimination

The CITY shall comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCD Act are still applicable. In addition, COUNTY'S Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara COUNTY Code) applies to this Agreement and is incorporated herein by this reference with the same force and effect as if the Ordinance were specifically set out herein and CITY agrees to comply with said Ordinance.

3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C., §§ 2000d et seq.)(P.L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, the CITY shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the COUNTY and the United States are beneficiaries of and entitled to enforce such covenants. The CITY, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The CITY shall comply with all Federal regulations issued pursuant to and in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against qualified individuals with disabilities or handicaps in any Federally assisted program.

5. Relocation Requirements

The CITY agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606 (42 U.S.C., §§ 4601 et seq., and all implementing regulations, including, but not limited to, those set forth in Title 24 C.F.R. Part 42 and 49 C.F.R. Part 24, all as may be amended). The CITY shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606 (b)(2), i.e., persons that are displaced as a direct result of demolition, renovation, major rehabilitation or acquisition for a CDBG-assisted project. The CITY also agrees to comply with applicable COUNTY ordinances, resolutions and policies concerning the displacement of persons from their residences.

6. Program Income

The use of program income by CITY shall comply with the requirements set forth in 24 CFR 570.504. Additionally, upon expiration of this Agreement, the CITY shall remit to the COUNTY and CDBG Funds on hand at the time of expiration, any accounts receivable attributable to the use of CDBG Funds, and all program income balances held by CITY, with the exception of the following: those needed for immediate cash needs, cash balances of a revolving loan fund, cash balances from a lump sum drawdown, or cash or investments held for section 108 security needs. The reversion of any project related assets shall comply with 2 CFR Part 2400 and 24 CFR 570.502, 570.503, and 570.504, as applicable.

B. Affirmative Action

1. Approved Plan

The CITY agrees that it shall be committed to carry out an Affirmative Action Program pursuant to and in accord with President's Executive Order 11246 of September 24, 1966. The CITY shall submit to COUNTY a plan for an Affirmative Action program prior to CITY's receipt of funds. COUNTY's acceptance of CITY's Affirmative Action Program shall not be deemed to be or construed as CITY's compliance with Executive Order 11246 or any other applicable Federal or state law, regulation, rule, executive order, ordinance, resolution, guideline, policy, directive, or standard.

2. Women- and Minority-Owned Businesses (W/MBE)

The CITY will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this Agreement, as referenced in "D/MBE/WBE Implementation Guidelines" attached hereto and incorporated herein as Exhibit G. As used in this Agreement, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are African-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The CITY may rely on written representations by businesses regarding their status as minority and women's business enterprises in lieu of an independent investigation.

3. Access to Records

The CITY shall furnish and cause each of its own contractors and subcontractors to furnish all information and reports required hereunder and will permit access to all books, records and accounts by the COUNTY, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The CITY will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by HUD, advising the labor union or workers' representative of the CITY's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The CITY will, in all solicitations or advertisements for employees placed by or on behalf of the CITY; state that it is an Equal Opportunity and Affirmative Action employer.

6. Contract and Subcontract Provisions

The CITY will include the provisions of Sections VIII.A, Civil Rights, and VIII.B, Affirmative Action, in every contract or subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own contractors and subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The CITY is prohibited from using CDBG Funds provided herein or personnel employed in the performance of work under this Agreement for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities. The CITY agrees to comply with the Federal Labor Standards Provisions attached hereto and incorporated herein as Exhibit H.

2. "Section 3" Clause

a. Compliance

Compliance with the provisions of Section 3 of the HUD Act of 1968 (12 U.S.C., § 1701u), and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder, and the Section 3 Implementation Guidelines attached hereto and incorporated herein as Exhibit G, all as may be amended, prior to the execution of the Agreement shall be a condition of the Federal financial assistance provided under this Agreement and binding upon the COUNTY, the CITY and any of the CITY'S contractors or subcontractors. Failure to fulfill these requirements shall subject the COUNTY, the CITY and any of the CITY'S contractors or subcontractors, their successors and assigns if any as permitted under this Agreement, to those sanctions specified by any agreement through which Federal assistance is provided. The CITY certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The CITY further agrees to comply with the "Section 3" requirements and to include the following language in all contracts and subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located."

The CITY further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very-low income persons residing within the metropolitan area in which the CDBG-funded project is located. Where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very-low income participants in other HUD programs. CITY agrees to award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very-low income persons residing within the metropolitan area in which the CDBG-funded project is located. Where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The CITY certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

The CITY agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or workers' representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Contracts and Subcontracts

The CITY will include this Section 3 clause in every contract and subcontract and will take appropriate action pursuant to the contract or subcontract upon a finding that the CITY or a contractor or subcontractor is in violation of regulations issued by HUD. The CITY will not contract or subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any contract or subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirement of these regulations.

3. Labor Standards Requirements

The CITY shall comply with labor standards requirements as set forth in 24 CFR 570.603, 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 Agreement.

D. Conduct

1. Assignability

The CITY shall not assign or transfer any interest in this Agreement without the prior written consent of the COUNTY thereto and any attempt to so assign or transfer without such consent shall be void and without legal effect and shall constitute grounds for termination; provided, however, that claims for money due or to become due to the CITY from the COUNTY under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the COUNTY.

2. Contracts and Subcontracts

a. Approvals

The CITY shall not enter into any contracts or subcontracts with any agency or individual in the performance of this Agreement without the written consent of the COUNTY prior to the execution of such agreement.

b. Monitoring

The CITY will monitor all contracted and subcontracted work and services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The CITY shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any contract or subcontract executed in the performance of this Agreement.

d. Selection Process

The CITY shall undertake to insure that all contracts and subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all contracts and subcontracts shall be forwarded to the COUNTY along with documentation concerning the selection process.

3. Hatch Act

The CITY agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of 5 U.S.C., §§ 7321 et seq. or 5 CFR Parts 733 and 734, all as may be amended.

4. Conflict of Interest

The CITY agrees to abide by the provisions of 24 CFR 85.36 and 570.611, which include (but are not limited to) the following:

- a. The CITY shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- b. No employee, officer or agent of the CITY shall participate in the selection, or in the award, or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the COUNTY, the CITY, or any designated public agency.
- d. The CITY shall promptly disclose to the COUNTY, in writing, any potential conflict of interest.

5. Lobbying

The CITY hereby certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, 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 contract, the making of any Federal grant, the making 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;
- b. 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, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

- c. It will require that the language of paragraph (d), immediately below, of this certification be included in the award documents for all awards and subawards at all tiers (including subcontracts, subgrants, contracts, and grants under grants, loans, and cooperative agreements) and that CITY and all contractors and subcontractors shall certify and disclose accordingly:

- d. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. Copyright

If this Agreement results in any copyrightable material or inventions, the COUNTY and/or HUD reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

COUNTY shall be the owner of the following items incidental to the Agreement upon production, whether or not completed: all data collected, all documents of any type whatsoever, and any material necessary for the practical use of the data and/or documents from the time of collection and/or production whether or not performance under this Agreement is completed or terminated prior to completion. CITY shall not release any materials under this section except after prior written approval of COUNTY.

No materials produced in whole or in part under this Agreement shall be subject to copyright in the United States or in any other country except as determined at the sole discretion of COUNTY. COUNTY shall have the unrestricted authority to publish, disclose, distribute, and otherwise use in whole or in part, any reports, data, documents or other materials prepared under this Agreement.

7. Religious Activities

The CITY agrees that CDBG Funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

8. Conditions For Religious Organizations

If CITY represents that it is, or may be deemed to be, a religious or denominational institution or organization or an organization operated for religious purposes which is supervised or controlled by or in connection with a religious or denominational institution or organization, CITY agrees that:

- a. It will not discriminate against any employee or applicant for employment on the basis of religion and will not limit employment or give preference in employment to persons on the basis of religion;
- b. It will not discriminate against any person applying for the use or occupancy of the facility to be constructed as part of the Project on the basis of religion and will not limit the use or occupancy of the facility to be constructed as part of the Project or give preference to persons on the basis of religion;
- c. It will provide no religious instruction or counseling, conduct no religious worship or religious services, engage in no religious proselytizing, and exert no other religious influence in carrying out the Project; and
- d. The portion of a facility assisted in whole or in part under this Agreement shall contain no sectarian or religious symbols or decorations.

CITY shall comply with all applicable conditions of Title 24 CFR 570.503(b)(6) prescribed by HUD for the use of CDBG Funds by religious organizations if CITY is a religious organization.

9. Federal Contracts

The CITY agrees that every person or entity that requests or receives a federal contract, grant, loan or cooperative agreement from or through a federal agency or receives or requests from or through a federal agency a commitment that would provide for the United States to insure or guarantee a loan must file with that agency a written declaration and certify that he, she or it has not made and will not make any prohibited expenditure. Further, any person or entity that requires or receives from a person or entity referred to above, a contract or subcontract under a federal contract, a subgrant or grant under a federal grant, or a contract or subcontract to carry out any purpose for which a particular federal loan is made, or contract or subcontract under a federal cooperative agreement, is required to file a written declaration with the person or entity that received the federal contract, grant, loan or commitment to insure or guarantee a loan.

This Agreement is subject to and incorporates the terms of the Housing and Community Development Act of 1974, 24 CFR Part 570, and COUNTY'S CDBG Program Guidelines, all as may be amended.

10. Drug Free Workplace

The CITY shall comply with the Federal Drug-Free Workplace Act (41 U.S.C., §§ 8101 et seq.), and shall make all good faith efforts to continue to maintain a drug-free workplace, including establishing a drug-free awareness program to inform employees about the dangers of drug abuse and the CITY's policy and penalties for drug abuse violations occurring in the workplace. In addition, CITY agrees to Provide a drug-free workplace in accordance with the COUNTY's Drug Free workplace Policy as follows:

- A. CITY will publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the CITY's workplace and will specify the actions that will be taken against employees for violation of such prohibition.

- B. CITY will establish an ongoing drug-free awareness program to inform employees about:
 - (1) The dangers of drug abuse in the workplace;
 - (2) The CITY's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
- C. CITY will require that each employee to be engaged in the performance of the Agreement be given a copy of the statement specified in paragraph A.
- D. CITY will notify the employee that, as a condition of employment under the Agreement, the employee will:
 - (1) Abide by the terms of the statement specified in paragraph A; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.
- E. CITY will notify the COUNTY in writing, within ten calendar days after receiving notice under paragraph D from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice to every grant officer or other designee on whose Agreement activity the convicted employee was working.
- F. CITY will take one of the following actions, within 30 calendar days of receiving notice under paragraph D, with respect to any employee who is so convicted:
 - (1) Take appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973 (29 U.S.C., §§ 701 et seq.), as amended; or
 - (2) Require such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, state, or local health, law enforcement, or other appropriate agency.
- G. CITY agrees to make a good faith effort to maintain a drug-free workplace through implementation of paragraphs A, B, C, D, E, and F.

11. Criminal Disclosure

CITY must disclose, in a timely manner, in writing to the COUNTY all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the award. Failure to make required disclosures can result in any of the remedies described in 2 CFR §200.338 Remedies for noncompliance, including suspension or debarment. (See also 2 CFR parts 180 and 2424 and 31 U.S.C. 3321.)”

IX. ENVIRONMENTAL CONDITIONS

A. Air and Water

The CITY shall comply with the following requirements insofar as they apply to the performance of this Agreement:

1. Clean Air Act, 42 U.S.C. , 7401, *et seq.*;
2. Federal Water Pollution Control Act, , 33 U.S.C., §§ 1251 *et seq.*, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder, all as may be amended;

3. Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as may be amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), and Executive Order 11988 relating to the evaluation of flood hazards, prevention, control, and abatement of water pollution, the CITY shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The CITY agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of 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 the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The CITY shall comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) as applicable and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

X. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

XI. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this Agreement are included for convenience only and shall not affect the meaning, construction or effect of the terms of this Agreement.

XII. WAIVER

The COUNTY's failure to act with respect to a breach by the CITY shall not constitute or be construed as a waiver of COUNTY'S rights with respect to subsequent or similar breaches. Any delay or failure of the COUNTY to exercise or enforce any right or provision of this Agreement shall not constitute a waiver of such right or provision, and every power and remedy given by this Agreement

to COUNTY shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of COUNTY.

XIII. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the COUNTY and the CITY for the CITY's use of funds received under this Agreement and it supersedes all prior and contemporaneous communications and proposals, whether electronic, oral, or written between the COUNTY and the CITY with respect to this Agreement. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

XIV. REMEDIES NOT EXCLUSIVE

No remedy herein conferred upon or reserved to COUNTY is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

XV. TIME IS OF THE ESSENCE

Time is of the essence in this Agreement and each covenant and term is a condition herein.

XVI. NONEXCLUSIVE AGREEMENT

CITY understands that this is not an exclusive Agreement and that COUNTY shall have the right to negotiate with and enter into contracts with others providing the same or similar work or services as those provided by CITY as the COUNTY desires.

XVII. CALIFORNIA LAW

This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.

XVIII. EXECUTION OF COUNTERPARTS

This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

XIX. AUTHORITY

All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any local, state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, CITY hereby warrants that it shall not have breached the terms or conditions of any other contract or agreement to which CITY is obligated, which breach would have a material effect hereon.

XX. PRECEDENCE

In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits to this Agreement, the provisions of the Agreement shall prevail over those in the Exhibits.

[Signatures on Following Page]

IN WITNESS WHEREOF, COUNTY and CITY have executed this Agreement by the respective authorized officers as set forth below to be effective on the date executed by the COUNTY.

ATTEST:
MONA MIYASATO
CLERK OF THE BOARD

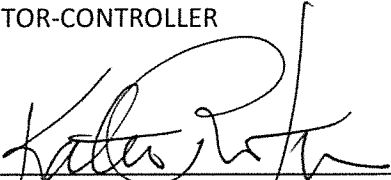
By: _____
Deputy Clerk

COUNTY OF SANTA BARBARA:

By: _____
PETER ADAM, CHAIR
BOARD OF SUPERVISORS

Date: _____

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By: 
Deputy Auditor- Controller

COUNTY OF SANTA BARBARA, COMMUNITY SERVICES DEPARTMENT:
GEORGE CHAPJIAN, DIRECTOR

By: 
Department Head

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

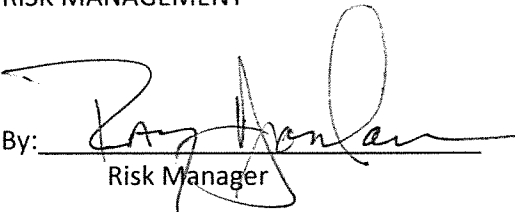
By: 
Deputy County Counsel

CITY: CITY OF CARPINTERIA

By: _____
Gregg A. Carty, Mayor

Date: _____

APPROVED AS TO FORM:
RAY AROMATORIO, ARM, AIC
RISK MANAGEMENT

By: 
Risk Manager

IN WITNESS WHEREOF, COUNTY and CITY have executed this Agreement by the respective authorized officers as set forth below to be effective on the date executed by the COUNTY.

ATTEST:
MONA MIYASATO
CLERK OF THE BOARD

By: _____
Deputy Clerk

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By: _____
Deputy Auditor- Controller

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: _____
Deputy County Counsel

APPROVED AS TO FORM:
RAY AROMATORIO, ARM, AIC
RISK MANAGEMENT

By: _____
Risk Manager

COUNTY OF SANTA BARBARA:

By: _____
JANET WOLF
Chair, Board of Supervisors

Date: _____

COUNTY OF SANTA BARBARA, COMMUNITY SERVICES DEPARTMENT:
GEORGE CHAPJIAN, DIRECTOR

By: _____
Department Head

CITY: CITY OF CARPINTERIA

By: Gregg A. Carty
Gregg A. Carty, Mayor

Date: 11-27-15

EXHIBIT A

SCOPE OF WORK FOR CDBG CAPITAL PROJECTS

Subrecipient: City of Carpinteria
Project Name: Main Sidewalk In-Fill Project
Project #: 5C01CA

AGREEMENT AMOUNT: \$147,921

INTRODUCTION

This Scope of Work is attached to and incorporated into the Subrecipient Agreement (Agreement) between the County of Santa Barbara (COUNTY) and City of Carpinteria (CITY). The purpose of this Scope of Work is to further describe the project requirements referenced in the Agreement.

1. FEDERAL REGULATORY INFORMATION

A. CDBG National Objective¹: *Benefit to low- and moderate- income (LMI) persons*

HUD Matrix Code: 03L Sidewalks

Proposed Number of beneficiaries: 1,585

B. Beneficiaries. Beneficiaries who will benefit from the project are to be counted by the total number of (check one):

PEOPLE: count person(s) served or include all members of the family

OR

HOUSEHOLDS (all members of a household are counted as one household)

C. The Project will be carried out under (check one):

24 CFR 570.208(a)(1) Area Benefit
List neighborhoods and census tracts in which the Activity will be carried out:

Neighborhoods: City of Carpinteria

Census Tracts: 16.04 Blocks 2,3,and 4

OR

¹ Change to appropriate National Objective if necessary.

24 CFR 570.208(a)(3) Housing

Select which method of income verification that must be used:

Self-Certification. Provide justification for using self-certification.

OR

Verification of income per 24 CFR Part 5.609 (referred to as "Part 5")

- Regulation:

<http://www.ecfr.gov/cgi-bin/textidx?SID=fbbbcfc506bcac625699ddd798a0591d&node=24:1.1.1.1.5.6.17.3&rgn=div8>

- Guidance:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/training/web/calculator/definitions/part5

2. ACTIVITY DESCRIPTION/PERFORMANCE GOALS

A. Scope of Work to be performed

The City of Carpinteria will construct sidewalk facilities around portions of the exterior of Main School at 5200 Eighth St. in the City of Carpinteria. The sidewalk locations are located along the northbound 600 and 700 blocks of Walnut Ave. and the westbound 5200 block of Sixth St. This project will also include placing three curb ramps consistent with current Americans with Disabilities Act (ADA) standards. Some of the proposed sidewalk along Walnut Ave. will include new curb and gutter placed roughly two feet into the existing City roadway shoulder to avoid utility relocations and existing palm trees. The remaining Walnut Ave. portion of new sidewalk, north of the Seventh St. intersection, will be placed roughly five feet behind the existing curb and gutter. Sidewalk placement along Sixth St. will be placed directly behind the existing curb and gutter.

B. Goals and Community Impact

The sidewalk and curb ramps will provide a safe way for all nearby low income persons to connect to services and programs located at Carpinteria's Project at Main.

C. Local Jurisdictions rules and regulations/ADA

CITY agrees that it has read and understands the local jurisdiction's rules and regulations and local codes pertaining to the work and that all work will be permitted with the municipality and completed according to its rules and regulations.

3. REPORTING

Data collection must be completed demonstrating income eligibility and achievements met towards meeting the objectives described in Section 2 Activity Description. The disbursement of funds is contingent upon the receipt of the required information.

OWNER shall submit the following reports to the Division of Housing and Community Development (HCD) using the form provided by HCD and attached as an Exhibit to the Subrecipient Agreement:

- a. Monthly project status report
- b. Completion Report
- c. Annual Report, submitted annually for five years following the completion of the project.

*HCD will provide a form for the collection of beneficiary income and demographic information which includes:

- Unique identifier: Name and address
- Whether the head of household is female and/or disabled
- Whether the head of household is aged 62 years or older
- Total number of household members
- Total income of all household members
- Ethnicity: Hispanic or Latino OR Not Hispanic or Latino of each household member
- The race of each household member: White, Black or African American, Asian, American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander, American Indian or Alaska Native and White, Asian and White, Black or African American and White, American Indian or Alaska Native and Black or African American, Other Multi-Racial.
NOTE: Both ethnicity AND race category must be selected for each household member
- Signature attesting to the accuracy of the information submitted.

4. RECORD-KEEPING AND MONITORING

The SUBRECIPIENT shall retain all financial records, supporting documents, statistical records, and all other records pertinent to this Agreement for a period of at least four (4) years. The retention period begins on the date of the submission of the COUNTY's annual performance and evaluation report to HUD, as prescribed in 24 CFR 91.520 (See Section VII.B.2 of the Agreement). Files shall be made available to the County, the Department of Housing and Urban Development, the Office of Inspector General, the General Accounting Office, or any other federal regulatory agency, upon request for monitoring purposes.

1. Agreement between County and Owner
2. Draw Requests and supporting documentation
3. Beneficiary Data
4. Annual audits
5. Records of compliance with federal procurement rules when the Owner awards contracts, utilizing CDBG funds, for services, supplies, materials or equipment, that are

in the amount of \$100,000 or more, or when CDBG funds, in any amount, are used for construction activities. SubGrantees should follow their local jurisdictions or State procurement policies; provided that they are not in conflict with applicable federal law. Labor clauses contained in HUD-4010 and the applicable Davis-Bacon wage rate decision must be a physical part of a bid package. 2 CFR 2400

- a. Copies of bid documents
 - b. Copies of contracts
 - c. Copies of all payments and supporting documentation to contractors and vendors
6. Records pertaining to Labor Laws and Requirements
<http://www.hud.gov/offices/adm/hudclips/forms/files/4010.pdf>
 7. Davis-Bacon wage rate decisions when project costs are \$2,000 or more
 8. Davis-Bacon weekly payroll records, including overtime records
 9. Section 3 outreach efforts, for contracts between the County and SubGrantee that are in the amount of \$100,000 or more, and for contracts between the SubGrantee and its sub-contractors that are in the amount of \$200,000 or more
 10. Women and Minority Business Enterprise - outreach efforts and records of contracts with woman- and minority-owned businesses
 11. Copies of contracts with sub-contractors
 12. Records of lead-based paint assessment, abatement and final clearance, if applicable
 13. Records of asbestos assessment, abatement and final clearance, if applicable
 14. Records of acquisition and/or relocation, if applicable

Exhibit B

BUDGET

1. Project Budget

| | COUNTY CDBG | OWNER FUNDS | TOTAL BUDGET |
|---|---------------------|--------------------|---------------------|
| PROFESSIONAL SERVICES | | | |
| Design Work | \$12,921.00 | \$7,079.00 | \$20,000.00 |
| Total Professional Services | \$12,921.00 | \$7,079.00 | \$20,000.00 |
| CONSTRUCTION | | | |
| Fees, Permits, and Inspections | \$ 0.00 | \$7,500.00 | \$5,000.00 |
| Contractual Construction: Labor, materials, and equipment | \$130,000.00 | \$20,000.00 | \$150,000.00 |
| Project Management and Oversight | \$5,000.00 | \$2,500.00 | \$10,000.00 |
| Other Materials | \$0.00 | \$0.00 | \$0.00 |
| Total Construction Costs | \$135,000.00 | \$30,000.00 | \$165,000.00 |
| Relocation Costs | \$0.00 | \$0.00 | \$0.00 |
| TOTAL PROJECT BUDGET | \$147,921.00 | \$37,079.00 | \$185,000.00 |

The amounts in each line item may be adjusted with the approval of the County; provided, however, that the total contract amount does not change and the level of environmental review completed for the project is still applicable.

2. Timeline

| Item | Milestone | Completion Date |
|------|---|---------------------|
| A | Notice to Proceed | November 14th, 2015 |
| B | Pre-construction and Permitting Process | March 14th, 2016 |
| C | Complete Mobilization | March 28th, 2016 |
| D | Begin Construction | March 28th, 2016 |
| E | Complete Construction | May 13th, 2016 |
| F | Final Invoicing Provided by Contractor | May 27th, 2016 |
| G | Final Billing Submitted to CDBG | May 31st, 2016 |

This timeline may be revised from time-to-time. Revisions or project delays must be communicated to HCD staff. In any event, the project must be completed and all project expenditures reimbursed with CDBG funds by August 31, 2016.

3. Draw Requests

Draw requests must include:

- a. Expenditure Summary and Payment Request (ESPR) – County form
- b. Supporting documentation (to include all check items below):

- Third-party invoices or receipts
- Proof of payment, such as copies of cancelled checks
- Lien Waivers
- Davis-Bacon Certified Payrolls, reviewed and approved by the Subrecipient
- Payroll records, including timesheets delineating time worked on CDBG-eligible activities and payroll journals showing gross pay and deductions (if salaries are included in the project budget)

