

**COMMUNITY DEVELOPMENT BLOCK GRANT  
CAPITAL PROJECT AGREEMENT  
BETWEEN  
COUNTY OF SANTA BARBARA  
AND  
CITY OF CARPINTERIA  
FOR  
FRANKLIN CREEK TRAIL IMPROVEMENTS**

**ASSISTANCE LISTING NUMBER 14.218**

THIS AGREEMENT ("Agreement") is made and entered into by and between the County of Santa Barbara ("COUNTY"), a political subdivision of the State of California, and the City of Carpinteria, a municipal corporation within COUNTY ("SUBRECIPIENT"), 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, on May 7, 2024, the COUNTY Board of Supervisors approved the COUNTY's Fiscal Year 2024 Action Plan and Substantial Action Plan Amendments for Fiscal Years 2021, 2022, and 2023, and on May 13, 2025, the COUNTY Board of Supervisors approved the COUNTY's Fiscal Year 2025 Action Plan (collectively, "Action Plan") for submission to HUD, which included an award to SUBRECIPIENT of CDBG Funds to carry out safety and accessibility improvements to Franklin Creek Trail ("Project"), as more specifically described in the Scope of Work attached hereto as Exhibit A and incorporated herein by this reference ("Scope of Work"); and

WHEREAS, in accordance with the Action Plan, COUNTY is providing to SUBRECIPIENT a grant of CDBG Funds in an amount not to exceed Six Hundred Thirty-Two Thousand, Forty-Five Dollars (\$632,045) ("COUNTY Grant") to be used by SUBRECIPIENT to carry out the Project (as defined in the Scope of Work), and in accordance with the Budget attached hereto as Exhibit B and incorporated herein by this reference; and

WHEREAS, SUBRECIPIENT'S use of CDBG Funds to carry out the Project is an eligible use of such funds under 24 CFR Part 570 Subpart C; and

WHEREAS, SUBRECIPIENT represents that it has the skills, expertise, and all licenses and permits necessary to carry out the Work to complete the Project in accordance with this Agreement; and

WHEREAS, the SUBRECIPIENT is receiving a federal subaward as identified in Exhibit I, attached hereto and incorporated herein by this reference, in accordance with 2 CFR 200.331(a).

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties hereto agree as follows:

**I. SCOPE OF WORK**

**A. General**

All work stated and set out in the Scope of Work attached hereto as Exhibit A and incorporated herein by reference ("Work") shall be performed at the portion of Franklin Creek Trail located within Assessor's Parcel Number 003-251-020, which is located along the southeast side of Franklin Creek with a northeastern terminus adjacent to 4745 Carpinteria Avenue and a southwestern terminus adjacent to 4670 7<sup>th</sup> Street in the City of Carpinteria (the "Property"). SUBRECIPIENT's City Manager, Michael Ramirez, shall ensure that the background and qualifications of the SUBRECIPIENT's staff, contractors and subcontractors performing the Work and carrying out the Project are appropriate, and that they are each competent to perform the Work, and are all duly licensed to the extent required by Applicable Law (defined below).

**B. Scope of Work**

The SUBRECIPIENT shall be responsible for providing the Work set forth in Exhibit A to this Agreement in a manner satisfactory to the COUNTY and consistent with the Regulations and all other applicable federal, state, and local governmental laws, regulations, ordinances, orders, rules, directives, circulars, bulletins, notices, guidelines, including, but not limited to, all federal requirements and standards required as a condition of receiving these CDBG Funds (collectively, "Applicable Law"). SUBRECIPIENT agrees that it will not begin any Work hereunder, including, but not limited to, soliciting Project bids or engaging in site studies, before COUNTY has issued to SUBRECIPIENT a written Notice to Proceed for the Project.

**C. Eligible Costs**

Only costs specified in the Budget attached hereto as Exhibit B ("Budget") and actually and reasonably incurred by SUBRECIPIENT to perform the Work in accordance with this Agreement are eligible for reimbursement hereunder. The maximum aggregate amount of payments to SUBRECIPIENT hereunder shall not exceed \$632,045 ("Maximum Contract Amount"). All of the Work must be performed by SUBRECIPIENT or under SUBRECIPIENT's supervision. SUBRECIPIENT represents that it possesses, and that its contractors and subcontractors shall possess, the professional and technical skills required to perform the Work. SUBRECIPIENT and its contractors and subcontractors shall perform all Work in a professional and competent manner, and with the reasonable and customary level of care provided by practitioners of such party's profession performing such work in the State of California.

All Work shall be performed by qualified and experienced personnel who are not employed by COUNTY. SUBRECIPIENT represents and warrants that the Work to be performed shall conform to the requirements of this Agreement, all Applicable Law, and the highest professional standards.

SUBRECIPIENT represents and warrants to COUNTY that it and its contractors and subcontractors have, shall obtain, and shall keep in full force and effect at all times during the Term (defined below), at their sole cost and expense, all licenses, permits, qualifications, insurance and approvals of whatsoever nature that are required under Applicable Law to practice their respective professions and to perform the Work.

D. Performance Monitoring

The COUNTY shall monitor the performance of the SUBRECIPIENT against goals and performance standards set forth in the Scope of Work (Exhibit A). SUBRECIPIENT's substandard performance as determined by the COUNTY shall constitute SUBRECIPIENT's noncompliance with this Agreement. If action satisfactory to COUNTY to correct such substandard performance is not taken by the SUBRECIPIENT within seven (7) days after being notified by the COUNTY, the COUNTY may initiate suspension or termination of this Agreement.

E. Changes

Any changes to this Agreement, unless otherwise noted, may only be made through a written amendment to this Agreement duly executed by both COUNTY and SUBRECIPIENT. COUNTY and SUBRECIPIENT may amend this Agreement at any time, provided that such amendments make specific reference to this Agreement, are executed in writing, and signed by the duly authorized representatives of each party hereto. Such amendments shall not invalidate any parts of this Agreement that are not changed by such amendment, nor relieve or release either of COUNTY or SUBRECIPIENT from such party's respective obligations under this Agreement that are not changed by the amendment. SUBRECIPIENT agrees to not unreasonably withhold its approval of any amendments proposed by COUNTY that are necessary in order to conform with Applicable Law and available funding amounts.

If this Agreement is executed on behalf of COUNTY by the COUNTY Purchasing Agent or the Director of the COUNTY's Community Services Department ("Director") or both, the same duly authorized representative(s) shall execute all amendments to this Agreement in the same fashion subject to all other applicable requirements set forth herein and otherwise imposed by Applicable Law. 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, all amendments to this Agreement must be approved and executed in the same manner, except that the Director is authorized to approve and execute amendments hereto on behalf of COUNTY during the Term to make any one or more of the following changes to this Agreement, to the extent not inconsistent with the Regulations, or with any other Applicable Law:

1. Increase or decrease a Budget line item or approve a new Budget line item to ensure full and timely expenditure of all CDBG Funds; provided that (i) the Maximum Contract Amount is not thereby increased, other than in accordance with Subsection 2, below; and (ii) all expenditures thereunder are eligible for reimbursement with CDBG Funds in accordance with the Regulations and all other Applicable Law.
2. Increase or decrease the Maximum Contract Amount to ensure full and timely expenditure of all CDBG Funds awarded to the County by HUD; provided, however, that (i) any increase in the Maximum Contract Amount hereunder shall not exceed 10% of the original Maximum Contract Amount, (ii) all Budget line items and expenditures under this Agreement as so amended constitute expenditures eligible for reimbursement with CDBG Funds pursuant to the Regulations and all other Applicable Law, and (iii) in no event shall the Maximum Contract Amount be increased to an amount in excess of the amount of the CDBG Funds available to the COUNTY.

3. Extend the Term by up to 12 months, subject to appropriation of funds. This Section I.E.3. shall not obligate the County to extend the length of the Term at SUBRECIPIENT's request or otherwise alter the County's rights to terminate this Agreement or reduce the Maximum Contract Amount as otherwise set forth in this Agreement.
4. Conform with federal, state, or local governmental laws, regulations, ordinances, orders, rules, directives, circulars, bulletins, notices, guidelines, policies, and available funding amounts.

F. COUNTY Recognition

SUBRECIPIENT 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 SUBRECIPIENT shall include a reference to the support provided herein in all publications made possible with CDBG Funds under this Agreement.

II. TERM

The term of this Agreement ("Term") shall begin on the Effective Date, and shall end on June 30, 2027, unless earlier terminated in accordance with the provisions of this Agreement, or in the event that there are insufficient CDBG Funds available for the COUNTY to provide to SUBRECIPIENT for any reason.

A. Time of Performance

All Work to be performed hereunder shall be completed, and all eligible expenses as authorized in the Budget incurred, and all requests for reimbursement therefore submitted by SUBRECIPIENT in accordance with the provisions of this Agreement, during the Term. However, SUBRECIPIENT's obligations to complete the Work shall survive the expiration of the Term of this Agreement.

B. Reversion of Assets

Upon the expiration or termination of this Agreement, the SUBRECIPIENT shall transfer to the COUNTY all CDBG Funds it has on hand at the time of expiration, and all accounts receivable attributable to the use of CDBG Funds. All real property owned by SUBRECIPIENT or otherwise under the SUBRECIPIENT'S control that was acquired or improved in whole or in part with CDBG Funds in excess of \$25,000, including, but not limited to, the Property (collectively, the "CDBG-Assisted Property") shall be used for the purposes specified in the Scope of Work, or, with the prior written consent of the Director, to otherwise meet one of the national objectives specified in 24 CFR 570.208, until the date that is five years after expiration of the Term of this Agreement, or for such longer period of time as determined to be appropriate by COUNTY.

In the event that the CDBG-Assisted Property is used other than in accordance with this Section II.B., the SUBRECIPIENT shall immediately notify COUNTY in writing regarding same, and shall pay to the COUNTY an amount equal to the current market value of the CDBG-Assisted Property, less any portion of the value attributable to expenditures of non-CDBG Funds for the acquisition of, or improvement to, the CDBG-Assisted Property. Such payment is program income to the COUNTY.

1. To determine the then-current market value of the CDBG-Assisted Property, the SUBRECIPIENT shall obtain a real estate appraisal of the CDBG-Assisted Property, performed by a California licensed real estate appraiser. Such appraiser must be approved in advance in writing by the COUNTY. An alternate method of valuation may be used only upon mutual written consent of COUNTY and SUBRECIPIENT, signed by both the COUNTY and SUBRECIPIENT.
2. The COUNTY will determine the amount due to the COUNTY in accordance with this Section II.B.

### **III. BUDGET**

COUNTY may require a more detailed Budget breakdown than as set forth in the Budget, and the SUBRECIPIENT shall provide such supplementary budget information within one (1) week of COUNTY'S request for a more detailed Budget breakdown, in the form and content prescribed by COUNTY. Any and all amendments to the Budget must be effected as a written amendment of this Agreement in accordance with Section I.E, above.

SUBRECIPIENT represents and warrants that the Budget includes only costs allowable under the CDBG Program pursuant to the HCD Act and the Regulations, including, but not limited to, 24 CFR § 570.502, which includes requirements for compliance with 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and all Subparts and Appendices, as applicable. The Budget shall set forth all costs in sufficient detail to provide a sound basis for the COUNTY to effectively monitor SUBRECIPIENT's performance under this Agreement.

### **IV. PAYMENT**

The total amount to be paid by the COUNTY under this Agreement shall not exceed the Maximum Contract Amount set forth in Exhibit B. SUBRECIPIENT may request reimbursement of eligible expenses hereunder, in accordance with the Budget line items, by submitting to COUNTY an *Expenditure Summary and Payment Request* ("ESPR"), provided by SUBRECIPIENT in the format attached hereto as Exhibit D, which may be delivered via electronic submission using a web-based reporting system, together with proper support documentation substantiating such eligible expenses and the performance of the Work, and performance data required in Exhibit A and Section VII.C. of this Agreement. COUNTY shall review the ESPR and, when approved, make payment. Payments may be contingent upon certification of the SUBRECIPIENT's financial management system in accordance with the standards specified in 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

COUNTY shall have no obligation to provide CDBG Funds under this Agreement if for any reason there is insufficient funding available to COUNTY from HUD to pass through to SUBRECIPIENT, or if this Agreement is terminated or suspended.

### **V. NOTICES**

Notices required by this Agreement shall be in writing and delivered via U.S. Mail (postage prepaid), overnight commercial courier, or personal delivery. Notices may be delivered to a party hereto by

facsimile or email if a facsimile number or email address, as applicable, is set forth for such party below, provided that such delivery is followed by delivery via U.S. Mail (postage prepaid), commercial courier, or personal delivery the next business day. Any notice sent in compliance with this Section V shall be deemed effective (i) if via personal delivery, facsimile or email, as of the date of sending, (ii) if via overnight courier, the next business day, and (iii) if via U.S. Mail, as of the date that is three (3) business days after sending. All notices and other written communications to a party hereto under this Agreement shall be addressed to such party as indicated below, unless otherwise modified by subsequent written notice delivered by such party in accordance with this Section V.

**COUNTY**

County of Santa Barbara  
Community Services Department,  
Division of Housing and Community Development  
Joe Dzvonik, Deputy Director  
123 E. Anapamu Street, 2<sup>nd</sup> Floor  
Santa Barbara, CA 93101  
Phone: (805) 568-3520

**SUBRECIPIENT**

City of Carpinteria  
ATTN: Josefina Arechiga  
5775 Carpinteria Avenue  
Carpinteria, CA 93013  
Phone: 805-755-4441

**VI. GENERAL CONDITIONS**

**A. General Compliance**

The SUBRECIPIENT agrees to comply with the requirements of the Regulations at 24 CFR Part 570, including subpart K, except that (1) the SUBRECIPIENT does not assume the COUNTY's environmental responsibilities described in 24 CFR 570.604 and (2) the SUBRECIPIENT does not assume the COUNTY's responsibility for initiating the review process under the provisions of 24 CFR Part 52. In addition, SUBRECIPIENT agrees to comply with the Federal Terms and Conditions attached hereto and incorporated herein as Exhibit E and in 2 CFR part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. SUBRECIPIENT agrees to comply with 24 CFR 570.609, the suspension and debarment rules, and 24 CFR 570.614, the Architectural Barriers Act of 1968. SUBRECIPIENT also agrees to comply with the terms of HUD's award to COUNTY, including the grant agreement, assurances in any applications, notices of awards, all Applicable Law, and all other 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 SUBRECIPIENT in any action or proceeding against SUBRECIPIENT, whether the COUNTY is a party thereto or not, that SUBRECIPIENT has violated any such Applicable Law or other rules, guidelines, directives, circulars, bulletins, notices and policies governing the CDBG Funds provided under this Agreement, shall be conclusive of that fact as between SUBRECIPIENT and COUNTY. The SUBRECIPIENT 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 complete environmental review under NEPA (40 CFR 1500-1508 and 24 CFR Part 58) for the Project. COUNTY may, at COUNTY's sole discretion, require SUBRECIPIENT to retain a qualified consultant to assist in preparation of the Project's NEPA review. Expenses incurred by SUBRECIPIENT pursuant to completion of the NEPA review are eligible for reimbursement by COUNTY only if included in the Budget. SUBRECIPIENT shall

identify the need for and shall complete all other required environmental reviews, including, but not limited to, review under the California Environmental Quality Act (CA Pub Res Code §21000 et seq.), if applicable. SUBRECIPIENT shall comply with all mitigation measures established in the environmental reviews conducted for the Project. Environmental and other associated compliance shall be completed prior to the start of the Project or any Work. Accordingly, notwithstanding any other provision of this Agreement, COUNTY shall not provide any funds to SUBRECIPIENT pursuant to this Agreement, and SUBRECIPIENT shall not begin implementation of the Work, or otherwise have any claim to the COUNTY Grant funds, until COUNTY provides written notice to the SUBRECIPIENT that all applicable environmental and regulatory compliance analyses and clearances have been completed, and that SUBRECIPIENT may begin Work and implementation of this Project ("Clearance Notice"). The parties hereto further agree that the payment of any funds to SUBRECIPIENT hereunder is subject to the COUNTY's issuance of a Clearance Notice with respect to the Project.

*The COUNTY may immediately and unilaterally terminate this Agreement for cause in the event that SUBRECIPIENT begins any activity that requires environmental or other regulatory compliance approval hereunder or under applicable law prior to SUBRECIPIENT's receipt of a Clearance Notice from COUNTY.*

C. Independent Contractor

Nothing contained in this Agreement is intended to create or establish, or shall be construed in any manner as creating or establishing, the relationship of employer/employee between COUNTY and SUBRECIPIENT. The SUBRECIPIENT 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 SUBRECIPIENT'S behalf, and should COUNTY be required to do so by state, federal, or local taxing agencies, SUBRECIPIENT agrees to promptly reimburse COUNTY for the full value of such paid taxes, plus all interest and penalties, if any. Such 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, SUBRECIPIENT 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 SUBRECIPIENT shall comply with all insurance and indemnification provisions set forth in Exhibit C "Indemnification and Insurance Requirements," attached hereto and incorporated herein ("Indemnification and Insurance Requirements").

E. Workers' Compensation

The SUBRECIPIENT shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement as set forth in the Indemnification and Insurance Requirements.

F. Suspension or Termination

In accordance with 2 CFR Part 200 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 (i) SUBRECIPIENT fails to comply with this Agreement or with any of the terms of HUD's award to COUNTY, including, but not limited to, the grant agreement, assurances in applications, notices of awards, or in the event of any of the following:

- Failure to comply with any of the Applicable 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 SUBRECIPIENT to fulfill its obligations under this Agreement;
- Ineffective or improper use of CDBG 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 SUBRECIPIENT, 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 SUBRECIPIENT to fulfill its obligations hereunder.

- a. **For Convenience.** In accordance with 2 CFR Part 200, this Agreement may be terminated for convenience by COUNTY in which case COUNTY shall specify the termination conditions, including the effective termination date and, in the case of partial termination, the portions 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 payment in the Term covered by this Agreement, then COUNTY will notify SUBRECIPIENT 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 SUBRECIPIENT default in the performance of this Agreement or 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 COUNTY's provision of notice, SUBRECIPIENT shall immediately discontinue all Work (unless the notice directs otherwise) and notify COUNTY as to the status of its performance hereunder. The date of termination of this Agreement shall be the date such notice is provided by COUNTY, unless such notice directs otherwise.

#### 2. Termination by SUBRECIPIENT

In accordance with 2 CFR Part 200, this Agreement may be terminated by SUBRECIPIENT, upon written notification to COUNTY, setting forth the reasons for such termination, the effective termination date, and, in the case of partial termination, the portions to be terminated; provided, however, that in the case of a partial termination, if COUNTY



determines that the remaining portion of the Agreement will not accomplish the purposes for which this Agreement was made, COUNTY may terminate this Agreement and the award in their entirety under 2 CFR Part 200.

3. Upon termination, SUBRECIPIENT 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 SUBRECIPIENT in connection with this Agreement, whether completed or in process, except such items as COUNTY may, by written permission, permit SUBRECIPIENT to retain.
4. If HUD demands reimbursement from COUNTY for COUNTY's payments to SUBRECIPIENT due to SUBRECIPIENT's failure to comply with the terms of HUD's award to COUNTY, including, but not limited to, the grant agreement, assurances in applications, notices of awards, any applicable term of this Agreement, or any Applicable Law, regulation, ordinance, order, rule, directive, circular, bulletin, notice, guideline or policy referred to herein, or as may become applicable at any time, SUBRECIPIENT shall fully and completely reimburse COUNTY in the total amount of all such disallowed payments. This Section VI shall survive the termination or expiration of this Agreement.

## **VII. ADMINISTRATIVE REQUIREMENTS**

### **A. Financial Management**

#### **1. Accounting Standards**

The SUBRECIPIENT agrees to comply with 24 CFR § 570.502 and the Uniform Administrative requirements referenced therein, including, but not limited to, 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. SUBRECIPIENT additionally agrees to comply with 24 CFR 570.509 "Grant Closeout Procedures" in their entirety. SUBRECIPIENT 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 SUBRECIPIENT agrees to comply with 24 CFR 570.610 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards." These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

#### **3. Program Income**

The use of program income by SUBRECIPIENT shall comply with program income requirements as set forth in Title 24 CFR section 570.504. Additionally, upon expiration of this Agreement, the SUBRECIPIENT shall remit to the COUNTY all CDBG Funds on hand at the time of expiration, all accounts receivable attributable to the use of CDBG Funds, and all program income balances held by SUBRECIPIENT, with the exception of 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 all Project-related assets shall comply with 2 CFR Part 200 and 24 CFR 570.502, 570.503, and 570.504, as applicable.

4. Indirect Costs

If indirect costs are charged, the SUBRECIPIENT shall develop an indirect cost allocation plan for determining the SUBRECIPIENT's appropriate share of administrative costs and shall submit such plan to the COUNTY for approval, in a form specified by the COUNTY.

5. Procurement

a. **Compliance**

The SUBRECIPIENT shall comply with all COUNTY policies concerning the purchase of equipment, and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided hereunder. All program assets (unexpended program income, property, equipment, etc.) shall revert to the COUNTY upon termination of this Agreement. The SUBRECIPIENT shall comply with the procurement requirements in 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

b. **Federal Requirements**

Unless excepted under 24 CFR 570, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, set forth in 2 CFR part 200, Subpart D shall apply.

c. **Build America, Buy America Act (BABA)**

Unless exempted by HUD under a General Waiver or Specific Waiver, the SUBRECIPIENT shall comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, as described in Exhibit E Federal Terms and Conditions.

6. Travel

The SUBRECIPIENT shall not travel outside the County of Santa Barbara with or using funds provided hereunder without the COUNTY's prior written consent in each instance.

7. Administrative Requirements

The SUBRECIPIENT shall 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 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The CDBG Funds received by SUBRECIPIENT 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 account or funds of SUBRECIPIENT or of any principal or member of SUBRECIPIENT. No costs shall be invoiced or billed except for expenditures authorized in the Budget contained within this Agreement and Exhibit B. Such itemized costs shall be of sufficient detail to provide a sound basis for the COUNTY to effectively monitor costs incurred under and compliance with this Agreement.

B. Documentation and Record Keeping

1. Records to be Maintained

The SUBRECIPIENT shall maintain all records required by the Federal regulations specified in 24 CFR 570.506 and by COUNTY's ordinances and policies that are pertinent to the Work to be performed and 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 Funds;
- 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 as required to document compliance with Subpart K of 24 CFR Part 570.

2. Retention

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

3. Ownership of Documents

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

4. Disclosure

The SUBRECIPIENT 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 SUBRECIPIENT's responsibilities with respect

to the Work, may be prohibited under state or federal law unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Close-outs

The SUBRECIPIENT shall comply with all grant closeout procedures set forth in 24 CFR § 570.509 and all applicable requirements set forth in 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The SUBRECIPIENT's obligations to the COUNTY shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the COUNTY), and determining the custodianship of records. Notwithstanding anything in this Agreement to the contrary, this Agreement shall remain in effect during any period that the SUBRECIPIENT has control over CDBG Funds, including program income.

6. Audits & Inspections

All SUBRECIPIENT records with respect to any matters covered by this Agreement shall be made available to 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 copies, excerpts or transcripts of all relevant data. Any deficiencies, audit findings, or required corrective actions noted in audit reports must be fully cleared by the SUBRECIPIENT within 30 days after receipt by SUBRECIPIENT unless a longer time period is agreed upon in writing by the COUNTY, HUD, or the Controller General, as applicable. SUBRECIPIENT hereby agrees to have an annual program-specific audit conducted by a certified public accounting firm in accordance with 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and COUNTY policy and requirements concerning audits.

As this Agreement exceeds ten thousand dollars (\$10,000.00), SUBRECIPIENT shall be subject to the examination and audit of the California State Auditor, at the request of the COUNTY or as part of any audit of the COUNTY, for a period of three (3) years after final payment under this Agreement (Cal. Govt. Code Section 8546.7). SUBRECIPIENT shall participate in all audits and reviews, whether by COUNTY, State, HUD, or Controller General, at no charge to COUNTY.

If federal, state or COUNTY audit exceptions are made relating to this Agreement, SUBRECIPIENT shall reimburse all costs incurred by federal, state, and/or COUNTY governments associated with defending against the audit exceptions or performing any audits or follow-up audits, including but not limited to: audit fees, court costs, attorneys' fees based upon a reasonable hourly amount for attorneys in the community, travel costs, penalty assessments and all other costs of whatever nature. Immediately upon notification from COUNTY, SUBRECIPIENT shall reimburse the amount of the audit exceptions and any other related costs directly to COUNTY or as specified by COUNTY in the notification.

7. Access to Records

The SUBRECIPIENT shall furnish and cause each of its own contractors and subcontractors to furnish all information and reports required hereunder and shall 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

For each month of the Term, SUBRECIPIENT shall deliver to the COUNTY's Community Services Department, Housing and Community Development Division ("HCD") a monthly Project Status and Completion Report in the form attached hereto as Exhibit F and incorporated herein by this reference ("Report"). Upon completion of the Work, SUBRECIPIENT shall complete and submit Section III of the Report documenting an unduplicated count of persons benefiting from the Work. The Report shall contain, without limitation, the household income level, and race and ethnicity of each client assisted as a result of the Work, and other data in accordance with the Scope of Service, the Budget, and the requirements of the federal Integrated Disbursement and Information System, and as may be requested by HCD. Annually thereafter, for a period of five (5) years, SUBRECIPIENT shall complete Section IV of the Report and submit the Report to HCD by June 30 of each year. If SUBRECIPIENT fails to timely complete and submit any required Report(s), COUNTY may withhold CDBG Funds until such Report(s) are received.

**VIII. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT**

The SUBRECIPIENT shall comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), (42 U.S.C., §§ 4601 *et seq.*) and all implementing regulations, including, but not limited to, those set forth in Title 24 CFR Part 42, 49 CFR Part 24, and 24 CFR 570.606, all as may be amended. The SUBRECIPIENT 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 SUBRECIPIENT also agrees to comply with all applicable State and COUNTY laws, ordinances, resolutions, and policies concerning the displacement of persons from their residences.

**IX. PERSONNEL & PARTICIPANT CONDITIONS**

A. Civil Rights

1. Compliance

The SUBRECIPIENT shall comply with Santa Barbara County Code, Chapter 2 Administration, Article XIII "Unlawful Discrimination, County Contracts" and 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., §§ 701 *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.*), and Executive Order 11063, and all implementing regulations, and all as may be amended.

2. Nondiscrimination

The SUBRECIPIENT shall comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607 and Executive Order 13279 as amended by Executive Orders 13559 and 14205. 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 SUBRECIPIENT shall 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 SUBRECIPIENT 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 SUBRECIPIENT, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and shall not itself so discriminate.

4. Section 504

The SUBRECIPIENT 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. Program Income

The use of program income by SUBRECIPIENT shall comply with the requirements set forth in 24 CFR 570.504. Additionally, upon expiration of this Agreement, the SUBRECIPIENT shall remit to the COUNTY any 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 SUBRECIPIENT, 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 200 and 24 CFR 570.502, 570.503, and 570.504, as applicable.

B. Affirmative Action

1. Women- and Minority-Owned Businesses (MBE/WBE)

The SUBRECIPIENT shall 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 SUBRECIPIENT may rely on written representations by businesses regarding their status as minority and women’s business enterprises in lieu of an independent investigation.

2. Access to Records

The SUBRECIPIENT shall furnish, and shall cause each of its contractors and subcontractors to furnish, all information and reports required hereunder, and shall 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.

3. Notifications

The SUBRECIPIENT shall 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 SUBRECIPIENT’s commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

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

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

5. Contract and Subcontract Provisions

The SUBRECIPIENT shall include the provisions of Sections IX.A, Civil Rights, and IX.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 SUBRECIPIENT is prohibited from using CDBG Funds provided herein or personnel employed in the provision of the activities set out in the Scope of Work under this Agreement for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities. The SUBRECIPIENT agrees to comply with the Federal Labor Standards Provisions attached hereto and incorporated herein as Exhibit H.

2. “Section 3” Clause

The SUBRECIPIENT agrees to comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3), as described in Exhibit E Federal Terms and Conditions.

3. Labor Standards Requirements

The SUBRECIPIENT shall comply with labor standards requirements as set forth in Title 24 CFR Part 570, Subpart K and HUD regulations issued to implement these requirements.

D. Conduct

1. Assignability; Transfer

The SUBRECIPIENT shall not assign or otherwise transfer, directly or indirectly, whether by operation of law or otherwise, this Agreement, any interest in this Agreement, or any of SUBRECIPIENT's rights or obligations hereunder without the prior written consent of the COUNTY thereto in each instance, and any attempt to so assign or transfer without such consent shall be null and void and without legal effect, and shall constitute grounds for immediate termination of this Agreement by COUNTY. The foregoing sentence of this Section IX.D.1. notwithstanding, claims for money due or to become due to the SUBRECIPIENT from the COUNTY under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval, provided that SUBRECIPIENT notifies COUNTY in writing within two (2) business days of any such financial institution assignment.

2. Contracts and Subcontracts

a. Approvals

The SUBRECIPIENT 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 SUBRECIPIENT shall monitor all contracted and subcontracted 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 SUBRECIPIENT 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 SUBRECIPIENT shall undertake to ensure 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 SUBRECIPIENT 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 SUBRECIPIENT agrees to abide by the provisions of 2CFR 200.112, 2 CFR Part 200, and 24 CFR 570.611, which include (but are not limited to) the following:

- a. The SUBRECIPIENT 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 SUBRECIPIENT 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 SUBRECIPIENT, or any designated public agency.
- d. The SUBRECIPIENT shall promptly disclose to the COUNTY, in writing, any potential conflict of interest.

5. Lobbying

The SUBRECIPIENT 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; and
- 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 paragraphs (a), (b), (c), and (d) of this certification in this Section IX.D.5 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 SUBRECIPIENT and all contractors and subcontractors shall certify and disclose accordingly; and

- 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 HUD reserve rights to a 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. SUBRECIPIENT 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 SUBRECIPIENT agrees that CDBG Funds provided under this Agreement shall not be utilized for inherently religious activities prohibited by 24 CFR 5.109, as referenced in 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

- 8. Conditions for Religious Organizations

If SUBRECIPIENT 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, SUBRECIPIENT agrees that:

- a. It shall not discriminate against any employee or applicant for employment on the basis of religion and shall not limit employment or give preference in employment to persons on the basis of religion; and
- b. It shall not discriminate against any person applying for the use or occupancy of any facility to be constructed as part of the Project on the basis of religion and shall not limit the use or occupancy of any facility to be constructed as part of the Project or give preference to persons on the basis of religion; and
- c. It shall 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 the provision of services; 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.

The SUBRECIPIENT shall comply with all applicable conditions of 24 CFR 570.200(j) prescribed by HUD for the use of CDBG Funds by religious organizations if SUBRECIPIENT is a religious organization.

9. Federal Contracts

The SUBRECIPIENT must file with HUD a written declaration and certify that SUBRECIPIENT has not made and will not make any prohibited expenditure. Further, any person or entity that requires or receives from SUBRECIPIENT a contract or subcontract hereunder is required to file a written declaration with HUD.

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

10. Drug Free Workplace

The SUBRECIPIENT 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 SUBRECIPIENT's policy and penalties for drug abuse violations occurring in the workplace. In addition, SUBRECIPIENT agrees to provide a drug-free workplace in accordance with the COUNTY's Drug Free Workplace Policy as follows:

- A. SUBRECIPIENT shall publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the SUBRECIPIENT's workplace and shall specify the actions that will be taken against employees for violation of such prohibition.
- B. SUBRECIPIENT shall establish an ongoing drug-free awareness program to inform employees about:
  1. The dangers of drug abuse in the workplace; and

2. The SUBRECIPIENT's policy of maintaining a drug-free workplace; and
  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. SUBRECIPIENT shall require that each employee to be engaged in the performance of the Agreement be given a copy of the statement specified in paragraph (a) of this Section IX.D.10.
- D. SUBRECIPIENT shall notify the employee that, as a condition of employment under the Agreement, the employee shall:
1. Abide by the terms of the statement specified in paragraph (a) of this Section IX.D.10; 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. SUBRECIPIENT shall notify the COUNTY in writing, within ten calendar days after receiving notice under paragraph (d) of this Section IX.D.10 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 the convicted employee was working.
- F. SUBRECIPIENT shall take one of the following actions, within 30 calendar days of receiving notice under paragraph (d) of this Section IX.D.10, 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. SUBRECIPIENT agrees to make a good faith effort to maintain a drug-free workplace through implementation of paragraphs a, b, c, d, e, and f above of this Section IX.D.10.
11. Criminal Disclosure  
SUBRECIPIENT 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 §200.339 Remedies for noncompliance, including suspension or debarment. (See also 2 CFR parts 180 and 2424.)

**X. ENVIRONMENTAL CONDITIONS**

**A. Air and Water**

The SUBRECIPIENT 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 *et seq.*), 44 CFR Parts 59 through 79, and Executive Order 11988 relating to the evaluation of flood hazards, prevention, control, and abatement of water pollution, the SUBRECIPIENT 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 SUBRECIPIENT 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 SUBRECIPIENTS, prospective SUBRECIPIENTS, 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 SUBRECIPIENT shall comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470 *et seq.*) 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.

**XI. SEVERABILITY**

If any provision of this Agreement is held invalid by a court of competent jurisdiction, then 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.

**XII. 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.

**XIII. WAIVER**

The COUNTY's failure to act with respect to any breach by the SUBRECIPIENT shall not constitute or be construed as a waiver of COUNTY's rights with respect to any subsequent or similar breach(es). 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.

**XIV. ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the COUNTY and the SUBRECIPIENT with respect to the subject matter hereof, and it supersedes all prior and contemporaneous communications and proposals, whether electronic, oral, or written between the COUNTY and the SUBRECIPIENT with respect to the subject matter hereof. Each party hereto 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.

**XV. 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.

**XVI. TIME IS OF THE ESSENCE**

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

**XVII. NONEXCLUSIVE AGREEMENT**

SUBRECIPIENT 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 services as those provided by SUBRECIPIENT as the COUNTY desires.

**XVIII. 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.

**XIX. EXECUTION OF COUNTERPARTS**

This Agreement may be executed electronically and 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.

**XX. AUTHORITY**

Each party to this Agreement warrants and represents that such party has 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, SUBRECIPIENT hereby warrants that it shall not have breached the terms or conditions of any other contract or agreement to which SUBRECIPIENT is obligated, which breach would have a material effect hereon.

**XXI. PRECEDENCE**

Conflicts or inconsistencies between the provisions contained in Sections I through XXI of this Agreement and the provisions contained in the Exhibits to this Agreement shall be resolved by giving precedence in the following order:

- A. Exhibit E
- B. Exhibit C
- C. The provisions in Sections I through XXI of this Agreement
- D. Exhibit B
- E. Exhibit A
- F. Other exhibits attached hereto to the extent incorporated by reference above.

[Signatures on Following Page]

**IN WITNESS WHEREOF**, COUNTY and SUBRECIPIENT have executed this Agreement by the respective authorized officers as set forth below to be effective as of the first date duly executed by all of the parties hereto.

**ATTEST:**

MONA MIYASATO  
CLERK OF THE BOARD

**COUNTY OF SANTA BARBARA:**

By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_  
LAURA CAPPS  
Chair, Board of Supervisors

Date: \_\_\_\_\_

**APPROVED AS TO ACCOUNTING FORM:**

BETSY M. SCHAFFER, CPA  
AUDITOR-CONTROLLER

**COUNTY OF SANTA BARBARA, COMMUNITY  
SERVICES DEPARTMENT:**  
JESÚS ARMAS, DIRECTOR

Signed by:  
By: Shawna Jorgensen  
DF6DB6D7D6344E6...  
Deputy Auditor-Controller  
Shawna Jorgensen

DocuSigned by:  
By: Jesús Armas  
E33B804A6E03475...  
Department Director

**APPROVED AS TO FORM:**

RACHEL VAN MULLEM  
COUNTY COUNSEL

**SUBRECIPIENT: CITY OF CARPINTERIA**

Signed by:  
By: Lauren Wideman  
8F404D822C84458...  
Deputy County Counsel  
Lauren Wideman

Signed by:  
By: Michael Ramirez  
027EF000BD8A43C...  
Michael Ramirez  
City Manager

**APPROVED AS TO FORM:**

GREG MILLIGAN, ARM, AIC  
RISK MANAGEMENT

Signed by:  
By: Greg Milligan  
05F555F00269466...  
Risk Manager



## EXHIBIT A

### SCOPE OF WORK FOR CDBG CAPITAL PROJECTS

**Project Name:** Franklin Creek Trail Improvements

**Maximum Contract Amount:** \$632,045

#### INTRODUCTION

This Scope of Work is attached to and incorporated into the Subrecipient Agreement ("Agreement") by and between the County of Santa Barbara ("COUNTY") and the City of Carpinteria ("SUBRECIPIENT"). The purpose of this Scope of Work is to further describe the Work and the Project.

#### 1. FEDERAL REGULATORY INFORMATION

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

HUD Matrix Code: 03F Parks, Recreational Facilities  
Proposed Number of beneficiaries: 5,650

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:  
Census Tracts: Block 2 of Tract 16.01 and Blocks 1, 2, and 3 of Tract 16.04

OR

☐ 24 CFR 570.208(a)(2) Limited Clientele  
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”)

OR

☐ Presumed Benefit: per 24 CFR Part 570.208(a)(2)(i)(A) n/a. No income qualification of clients is required; provided, however, that the organization provides documentation confirming that the program being funded exclusively serves persons who meet the presumed benefit definition.

## 2. WORK DESCRIPTION, PERFORMANCE GOALS

### Scope of Work to be performed

SUBRECIPIENT will construct improvements to the portion of the Franklin Creek Trail (“Trail”) located along the southeast side of Franklin Creek between Carpinteria Avenue and 7<sup>th</sup> Street. The Property currently consists of an unimproved dirt trail adjacent to the channelized creek, with a pedestrian bridge across Franklin Creek at 9<sup>th</sup> Street. Project activities include constructing new accessible surfacing, safety fencing, lighting, and improved connections with neighboring streets and sidewalks. Concrete retaining walls will be installed along portions of the Trail. Approximately seven existing trees will be removed and their stumps cleared.

### Goals and Community Impact

SUBRECIPIENT’s improvements to the Trail will make the Trail safe and accessible for persons with limited mobility, creating a valuable community amenity located within a short distance of downtown businesses and residential neighborhoods, including affordable low-income housing managed by People’s Self-Help Housing Corporation. The Trail is located approximately 400 feet from Aliso Elementary School along 7<sup>th</sup> Street, or approximately 800 feet from the school along 9<sup>th</sup> Street. A critical goal of this project is to provide a safe and accessible active transportation route for children, parents, and teachers walking and bicycling to and from the school.

### Local Jurisdictions rules and regulations

SUBRECIPIENT 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 by the City of Carpinteria and completed in compliance with City of Carpinteria rules and regulations and all other Applicable Law.

## 3. REPORTING

SUBRECIPIENT must collect data showing progress towards meeting the objectives described in Section 2 of this Exhibit A, above. The disbursement of funds by COUNTY hereunder is contingent upon the COUNTY’s timely receipt of the information required hereunder.

SUBRECIPIENT shall timely submit all of the following reports to the COUNTY's Division of Housing and Community Development ("HCD") in the form attached hereto as Exhibit F:

- a. Monthly project status report (Exhibit F, Sections I & II)
- b. Completion Report (Exhibit F, Sections I & III)
- c. Annual Report, submitted annually for five years following the completion of the project (Exhibit F, Sections I & IV)

#### 4. RECORD-KEEPING AND MONITORING

The SUBRECIPIENT shall retain all financial records, supporting documents, statistical records, and all other records pertinent to this Agreement ("Records") for a period of at least five (5) years after the date of the submission of the COUNTY's final annual performance and evaluation report to HUD, as prescribed in 24 CFR 91.520 (see Section VII.B.2 of the Agreement) with respect to this Agreement. Such Records shall include, but shall not be limited to, the documents listed below in this Section 4; provided, however, that the COUNTY, HUD or another Federal agency, or an external audit firm may require, and SUBRECIPIENT shall then promptly provide, additional documents. Upon request, Records 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 for monitoring purposes.

Such Records include, but are not limited to, the following:

1. This Agreement between COUNTY and SUBRECIPIENT
2. Reimbursement Requests hereunder and supporting documentation
3. Beneficiary Data
4. Annual audits
5. Records of compliance with federal procurement rules when the SUBRECIPIENT 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. SUBRECIPIENT shall follow COUNTY 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 all bid packages for contracts funded using CDBG Funds, including the COUNTY Grant.
6. Records evidencing compliance with *2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, including, but not limited to:
  - a. Copies of bid documents
  - b. Copies of contracts
  - c. Copies of all payments and supporting documentation to contractors and vendors
7. Records pertaining to compliance with Labor Laws and Requirements  
<http://www.hud.gov/offices/adm/hudclips/forms/files/4010.pdf>
8. Davis-Bacon wage rate decisions when project costs are \$2,000 or more
9. Davis-Bacon weekly payroll records, including overtime records

10. Section 3 outreach efforts, including for contracts between the SUBRECIPIENT and its contractors and subcontractors
11. Women and Minority Business Enterprise - outreach efforts and records of contracts with woman- and minority-owned businesses
12. Copies of all contracts with sub-contractors
13. Records of lead-based paint assessment, abatement and final clearance, if applicable
14. Records of asbestos assessment, abatement and final clearance, if applicable
15. Records of acquisition and/or relocation, if applicable

**EXHIBIT B****BUDGET**

## FOR CDBG CAPITAL PROJECTS

**Project Name:** Franklin Creek Trail Improvements**Maximum Contract Amount:** \$632,045**1. PROJECT BUDGET**

	COUNTY CDBG	SUBRECIPIENT FUNDS	TOTAL BUDGET
Project planning and development		\$275,188	\$275,188
Construction costs	\$632,045	\$212,740	\$844,785
<b>TOTAL</b>	<b>\$632,045</b>	<b>\$487,928</b>	<b>\$1,119,973</b>

**2. TIMELINE**

ITEM	MILESTONE	COMPLETION DATE
A	Funding Available for Project	September 2025
B	Advertise and Obtain Competitive Construction Bids	October 2025
C	Construction Contract Award	November 2025
D	Construction Begins	December 2025
E	50% Complete	June 2026
F	Project Completion	December 2026
G	Final Billing Submitted	January 2027

This timeline may be revised from time to time only upon the prior written consent of COUNTY. Revisions or Project delays must be communicated promptly to HCD staff by SUBRECIPIENT. All Project activities must be completed and all Project expenditures eligible to reimbursement with CDBG Funds hereunder must be incurred by June 30, 2027.

**3. REIMBURSEMENT REQUESTS**

Each reimbursement request by SUBRECIPIENT hereunder must include all of the following:

- a. Expenditure Summary and Payment Request (ESPR)
- 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)