

**SUBRECIPIENT AGREEMENT BETWEEN**

**THE COUNTY OF SANTA BARBARA**

**AND**

**THE CITY OF SANTA MARIA**

**THIS SUBRECIPIENT AGREEMENT** ("Agreement") is entered into as of this 8 day of July, 2014, by and between COUNTY OF SANTA BARBARA, a political subdivision of the State of California ("COUNTY"), and THE CITY OF SANTA MARIA, a municipal corporation, hereinafter referred to as "SUBRECIPIENT".

**RECITALS:**

WHEREAS, as a participating jurisdiction in the HOME Investment Partnerships ("HOME") program, the COUNTY receives HOME funds from the United States Department of Housing and Urban Development ("HUD") under Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C., §§ 12701 et seq.), as amended and updated through December 22, 2004 and December 16, 2011, Catalogue of Federal Domestic Assistance Number 14.239; and

WHEREAS, on August 9, 2011, the COUNTY, as part of its amendment to the 2006-2011 Consolidated Plan, approved the use of HOME funds for Tenant-Based Rental Assistance ("TBRA") to assist low income persons with rental assistance and security deposit payments; and

WHEREAS, on May 6, 2014, the County Board of Supervisors approved a Substantial Action Plan Amendment to the FY 2013-14 Action Plan, in which \$50,000 in HOME funding was approved for the City of Santa Maria to provide TBRA assistance; and

WHEREAS, on June 17, 2014, the County Board of Supervisors received a staff report on the use of HOME in FY 2014-15 which included an additional \$10,000 in HOME TBRA funds targeted to homeless households, for a total TBRA grant amount of \$60,000; and

WHEREAS, many low and very-low income persons lack the financial resources to accumulate sufficient savings for security deposits and have difficulty securing affordable rental housing in the County of Santa Barbara; and

WHEREAS, SUBRECIPIENT estimates that \$60,000 of HOME funds will provide security deposit payments for 75 households over the two-year term of this Agreement; and

WHEREAS, SUBRECIPIENT has identified other funding to administer the Program so that HOME funds under this Agreement will be used exclusively for security deposits (inclusive of rental unit deposits to landlords), hereinafter collectively referred to as "Security Deposits" for

low income persons; and

WHEREAS, the Program is an eligible use of HOME funds pursuant to 24 CFR 92.209(a) and as a public agency, SUBRECIPIENT is an eligible HOME subrecipient pursuant to 24 CFR Part 92; and

WHEREAS, the Program has been determined to be a categorically excluded activity pursuant to 24 CFR 58.35(b)(1) and is therefore not subject to the environmental review provisions of 24 CFR 58.5; and

WHEREAS, the Program complies with the requirements of 24 CFR 58.6; and

WHEREAS, under the Program, participating landlords will receive payments for Security Deposits from SUBRECIPIENT; and

WHEREAS, SUBRECIPIENT shall ensure that tenants participating in the Program occupy suitable units located in the COUNTY that meet housing and occupancy standards and have reasonable rent levels as defined herein; and

WHEREAS, the HOME funds will be provided by the COUNTY to the SUBRECIPIENT as a grant with no expectation of repayment, and similarly, the funds will be provided by the SUBRECIPIENT to landlords, as a grant with no expectation of repayment to either the COUNTY or the SUBRECIPIENT; and

WHEREAS, a written agreement is required by HUD between HOME subrecipients and HOME participating jurisdictions for the use of COUNTY HOME funds, which is the subject of this Agreement; and

WHEREAS, COUNTY HOME funds are subject to certain agreements and conditions as more particularly set out in this Agreement.

**NOW, THEREFORE**, it is agreed by and between the parties hereto, as follows:

**1. COUNTY HOME FUNDS**

**1.1 AMOUNT**

In exchange for the satisfactory performance of this Agreement, the COUNTY hereby agrees to disburse to SUBRECIPIENT the amount of Sixty Thousand Dollars (\$60,000) in HOME funds ("HOME Award") as provided for in Section 3 below. In the event sufficient HOME funds for this Agreement are not available to the COUNTY, this Agreement shall terminate and be of no further force and effect, and SUBRECIPIENT shall hold the COUNTY harmless.

**1.2 EFFECTIVE DATE**

The effective date of this Agreement shall be the date it is executed by COUNTY (“Effective Date”). This Agreement shall remain in effect for two (2) years from Effective Date.

**2. CONDITIONS PRECEDENT**

The COUNTY shall not disburse COUNTY HOME funds to SUBRECIPIENT (as described in Section 3 below) until SUBRECIPIENT has executed and delivered to the COUNTY this Agreement and proof of SUBRECIPIENT’S insurance coverage pursuant to Exhibit D (“Standard Indemnification and Insurance Provisions”) attached hereto and incorporated herein.

**3. DISBURSEMENT OF COUNTY HOME FUNDS**

Subject to satisfaction of the conditions precedent provided above in Section 2, the COUNTY shall disburse COUNTY HOME funds to SUBRECIPIENT on a reimbursement basis in accordance with this Agreement.

**3.1 ELIGIBLE TENANTS**

All TBRA tenant households receiving assistance shall be low income households, in which the annual household income shall not exceed sixty percent (60%) of the area median income, as established annually by HUD (“TBRA Tenant”). Annual household income is hereby defined as the combined household income that is anticipated by all adult members of the household during the twelve (12) months following the effective date of their acceptance to the Program (“Annual Household Income”). SUBRECIPIENT shall verify income for every TBRA Tenant upon intake.

**3.2 ELIGIBLE COSTS**

SUBRECIPIENT shall use COUNTY HOME funds to make one time Security Deposit payments to landlords, thereby enabling TBRA Tenants to move into decent and affordable housing (“Eligible Costs”).

**3.3 EXPENDITURE SUMMARY AND PAYMENT REQUEST FORM**

SUBRECIPIENT shall submit to the COUNTY on a monthly basis requests for disbursement (“Reimbursement Requests”) of COUNTY HOME funds using the form attached hereto as Exhibit A (“Expenditure Summary and Payment Request Form”). The amount requested shall be equal to the amount expended by SUBRECIPIENT for Eligible Costs.

**3.4 DISBURSEMENT DEADLINES**

SUBRECIPIENT shall start submitting Reimbursement Requests within sixty (60) days of the effective date of this Agreement. The HOME Award must be disbursed in its entirety on or before that date two years from the effective date of this Agreement. Any funds not disbursed by that date shall be retained by the COUNTY for other HOME-eligible uses.

### **3.5 NO PROGRAM INCOME**

Funds provided by SUBRECIPIENT to landlords consist of one-time grants for the payment of Security Deposits that would be repaid to the departing TBRA Tenant upon move-out. Therefore, the Program will not generate any program income to either SUBRECIPIENT or to the COUNTY.

## **4. CONDITIONS FOR USE OF COUNTY HOME FUNDS**

SUBRECIPIENT covenants and agrees to conduct the following activities in operating the Program. Failure to comply shall be an event of default under this Agreement.

### **4.1 PROGRAM POLICIES AND PROCEDURES**

**4.1.1** SUBRECIPIENT shall administer the Program as a Security Deposit grant program in accordance with 24 CFR 92.209(j).

**4.1.2** SUBRECIPIENT shall administer the Program in a manner consistent with the HOME Investment Partnerships Program Final Rule, which is set forth at 24 CFR Part 92, dated September 16, 1996 and updated through December 22, 2004, and consistent with any subsequent relevant amendments, policies, procedures, guidelines and revisions established by HUD (collectively, "HOME Regulations").

**4.1.3** SUBRECIPIENT shall administer the Program in accordance with the written policies, procedures and standards attached hereto as Exhibit B ("Admin Plan"). In the event of a discrepancy between the HOME Regulations and the provisions of this Agreement, the HOME Regulations shall apply.

**4.1.4** Any request for a change to the Admin Plan shall first be delivered in writing to the COUNTY for review and approval.

### **4.2 SPECIFIC PROGRAM REQUIREMENTS**

SUBRECIPIENT shall comply with the following requirements in administering the Program.

#### **4.2.1 Targeting**

SUBRECIPIENT shall target the Program and select TBRA Tenants in accordance with 24 CFR 92.209(c) and the plan for selecting TBRA Tenants attached hereto as Exhibit C ("Targeting and Tenant Selection Plan"), in accordance with the Admin Plan, and in accordance with the eligibility requirements of Section 3.1 above. Any request for a change to the Tenant Selection Plan shall first be delivered in writing to the COUNTY for review and approval.

The targeting and preferences established in the Tenant Selection Plan shall meet a need established in the COUNTY'S Consolidated Plan and shall conform to the HOME Regulations, including, but not limited to, 24 CFR 92.209, subdivision (c). The targeting and preferences shall not be administered in a manner that limits the opportunities of persons on any basis prohibited by law, including, but not limited to, the laws listed under 24 CFR 5.105(a).

SUBRECIPIENT shall ensure that landlords comply with the provisions of 24 CFR 92.253(d), as applicable, which states that an owner of rental housing assisted with HOME funds must adopt written tenant selection policies and criteria that: (1) Are consistent with the purpose of providing housing for very low-income and low-income families; (2) Are reasonably related to program eligibility and the applicants' ability to perform the obligations of the lease; (3) Provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and (4) Give prompt written notification to any rejected applicant of the grounds for any rejection.

#### **4.2.2 Eligible Units**

TBRA units shall be rental housing units located in the City of Santa Maria that meet Section 8 Housing Quality Standards and, in accord with 24 CFR 92.209(i) and 24 CFR 92.251(d), the requirements set forth in 24 CFR 982.401 and meet the occupancy standards established in the Admin Plan ("TBRA Units"). SUBRECIPIENT shall inspect each TBRA Unit prior to occupancy to confirm that the unit meets Section 8 Housing Quality Standards and the requirements set forth in 24 CFR 92.209(i), 24 CFR 92.251(d), and 24 CFR 982.401 and the occupancy standards established in the Admin Plan. All inspections of TBRA Units shall be adequately documented by SUBRECIPIENT.

SUBRECIPIENT shall assess whether the unit's rent is reasonable, based on rents charged for comparable unassisted rental units. Only those units with rents determined to be reasonable shall be eligible. SUBRECIPIENT shall document its assessment of rent reasonableness and keep such documentation on file as part of SUBRECIPIENT'S recordkeeping responsibilities as described below in Section 4.5.1. Under no circumstances shall rent exceed the HUD-approved community-wide exception rent in effect at intake, or if no exception rent is in effect, then the fair market rent as established by HUD.

SUBRECIPIENT shall also review the terms of the TBRA Tenant's lease agreement ("Lease"). As part of its review, SUBRECIPIENT shall determine in accord with 24 CFR 92.209(g) that the Lease meets the tenant protection standards established in 24 CFR 92.253(a) and (b) of the HOME Regulations.

#### **4.2.3 Written Agreements**

SUBRECIPIENT shall notify the TBRA Tenant and the landlord of the eligibility declaration in writing.

##### **4.2.3.1 TBRA Contract and Lease Addendum**

The TBRA Tenant and landlord must execute the TBRA Contract and Lease Addendum attached as Exhibit E before the TBRA Tenant may participate in the Program and before SUBRECIPIENT may pay any Security Deposit to a participating landlord.

##### **4.2.3.2 Lease**

SUBRECIPIENT shall review all Leases and certify they conform to 24 CFR 92.253(a) through (c). The Lease between the TBRA Tenant and landlord for the TBRA Unit shall be at least one (1) year unless both parties agree otherwise and document that the landlord made a one (1) year lease available to the TBRA Tenant and the TBRA Tenant willingly chose a term of less than one (1) year.

#### **4.2.4 Security Deposit Assistance Payments**

SUBRECIPIENT may pay Security Deposits in accordance with the provisions of the Admin Plan. The amount of the Security Deposit assistance shall not exceed the amount equal to two (2) months worth of rent for the TBRA Unit. COUNTY HOME funds shall not be used to pay for SUBRECIPIENT'S costs to administer the Program or to pay for case management.

#### **4.3. NO COUNTY OBLIGATION TO TBRA TENANT OR LANDLORD**

The COUNTY'S obligation is limited exclusively to providing HOME funds to SUBRECIPIENT pursuant to the terms of this Agreement. The COUNTY has no obligation, either express or implied, to the TBRA Tenant or the landlord. TBRA Tenants and landlords are not third party beneficiaries under the Agreement. In the event HOME funds become unavailable to the COUNTY, the COUNTY'S obligations under this Agreement shall cease, and this Agreement shall terminate, as specified in Section 1.1 above.

#### **4.4 REPAYMENT OF COUNTY FUNDS AND SECURITY DEPOSITS AND REVERSION OF ASSETS**

So long as SUBRECIPIENT continues to operate the Program pursuant to the terms and conditions of this Agreement, SUBRECIPIENT is not required to repay the COUNTY HOME funds. Funds that would otherwise be refunded by landlords at the end of the Lease shall be paid to the TBRA Tenant, consistent with Section 3.5 above.

Any unspent HOME funds remaining at the termination of this Agreement shall revert back to the COUNTY.

## **4.5 PROGRAM ADMINISTRATION AND COMPLIANCE MONITORING**

### **4.5.1 Records**

SUBRECIPIENT shall maintain all records as may be required to be kept pursuant to the terms of any law, regulation or ordinance to which SUBRECIPIENT may be subject in the performance of this Agreement, including, but not limited to, 24 CFR 92.508. Such records include, but are not limited to records for each TBRA Tenant including but not limited to source documentation used or relied upon to determine TBRA Tenant income eligibility, all written agreements described above in Section 4.2.3, and all financial transactions in any way related to the Program. SUBRECIPIENT shall ensure that the use of COUNTY HOME funds is in accordance with generally accepted accounting principles. All TBRA related files and records shall be made available to the COUNTY at any time during regular working hours at the request of the COUNTY. SUBRECIPIENT agrees to retain all records for a period of at least five (5) years following SUBRECIPIENT's final payment of a Security Deposit pursuant to this Agreement or the termination of this Agreement, whichever is later.

### **4.5.2 Reports**

SUBRECIPIENT shall prepare and deliver all data, reports and records that the COUNTY and HUD may require or request.

### **4.5.3 Audits**

SUBRECIPIENT shall conduct annual audits in accordance with 24 CFR 92.506, 24 CFR 84.26 and 85.26, and OMB Circular A-133. If SUBRECIPIENT spends \$500,000 or more within its accounting year in federal funds, it shall be subject to a single-audit according to OMB Circular A-133.

### **4.5.4 Review by COUNTY**

SUBRECIPIENT agrees that the COUNTY shall have the right to review all records and inspect assisted TBRA Units to ensure compliance under this Agreement. SUBRECIPIENT shall make available to the COUNTY all records, files, reports and documents maintained by SUBRECIPIENT pursuant to the terms of this Agreement. Any such audit or review may be conducted by the COUNTY at any time during SUBRECIPIENT'S regular business hours upon twenty four (24) hours written notice by the COUNTY. SUBRECIPIENT shall also make arrangements for inspection of TBRA Units by COUNTY staff upon four (4) days written notice by the COUNTY.

### **4.5.5 Reimbursement for Improper Expenditures**

If it is determined by COUNTY that funds provided under the terms of this Agreement have been used by or on behalf of SUBRECIPIENT in a manner or for a

purpose not authorized by this Agreement, SUBRECIPIENT shall, at COUNTY'S request, pay to COUNTY within 120 days of the COUNTY request, an amount equal to one hundred percent (100%) of all amounts expended for unauthorized purposes or in an unauthorized manner, including interest accrued on such amounts at the legal rate of interest in effect at the time of the COUNTY'S request. This Section 4.5.5 shall survive the termination of this Agreement.

#### **4.6 UNIFORM ADMINISTRATIVE REQUIREMENTS**

SUBRECIPIENT shall comply with the applicable uniform administrative requirements as described in Section 92.505 of the HOME Regulations.

### **5. EVENTS OF DEFAULT**

This Agreement will be in default should any of the following events occur ("Event of Default"):

#### **5.1 FAILURE TO COMPLY**

If SUBRECIPIENT fails to comply with the HOME Program Regulations, the requirements of any applicable Annual Appropriations Acts, or any terms of Notice of Funding Availability (NOFAs), grant agreements, and awards whether stated in a Federal statute or regulation, an assurance in a State plan or application, a notice of award or other term or condition under this Agreement.

#### **5.2 FAILURE TO USE FUNDS AS INTENDED**

If SUBRECIPIENT fails to use the funds for the Program as provided herein.

#### **5.3 BANKRUPTCY**

If SUBRECIPIENT has filed a petition under the Bankruptcy Reform Act of 1978 (11 U.S.C., §§ 101 et seq.) or has taken or committed any act preparatory to the filing of any such petition, or has become insolvent, or has committed any other act of bankruptcy or insolvency.

### **6. RIGHTS AND OBLIGATIONS UPON EVENT OF DEFAULT**

The parties shall have the following rights and obligations in the Event of Default:

#### **6.1 NOTICE OF DEFAULT**

Upon the occurrence of an Event of Default described in Section 5.1 or 5.2, COUNTY shall notify SUBRECIPIENT in writing of such occurrence, including a description of the Event of Default. Upon the occurrence of an Event of Default described in Section 5.3, SUBRECIPIENT shall notify COUNTY in writing of such occurrence, including a description of the Event of Default.



## **6.2 CURE**

SUBRECIPIENT shall be entitled to cure an Event of Default as described in Sections 5.1 and 5.2 above at any time within three (3) months from the date on which the notice described in Section 6.1 above is given to SUBRECIPIENT or to commence to cure such default and diligently pursue such cure if said cure cannot be completed in three (3) months; provided in order to cure an Event of Default, SUBRECIPIENT shall be required to reimburse COUNTY, within such three-month period, for all reasonable expenses incurred by COUNTY in exercising its rights in connection with any such Event of Default. If SUBRECIPIENT so cures any Event of Default, then this Agreement shall be reinstated and shall remain in full force and effect as if such Event of Default had not occurred.

## **7. REMEDIES**

### **7.1 REMEDIES FOR NONCOMPLIANCE**

In case of an Event of Default that is not timely cured, COUNTY shall have available any or all of the following remedies:

**7.1.1** Terminate this Agreement.

**7.1.2** Demand reimbursement pursuant to Section 4.5.5 above.

**7.1.3** Suspend the current award for the SUBRECIPIENT'S Program in whole or in part.

**7.1.4** Take any other remedies that may be legally available.

## **8. TERMINATION**

Either COUNTY or SUBRECIPIENT may terminate this Agreement for any reason with thirty (30) days prior written notice to the other party. Such termination may be for convenience. Termination for convenience shall be carried out in accordance with 24 CFR 92.504(c)(2)(ix) and 24 CFR 85.44. The regulations found at 24 CFR 92.504(c)(2)(ix) and 24 CFR 85.43(c) shall apply to termination for cause upon an Event of Default as described in Section 5.

## **9. ASSIGNMENT PROHIBITION**

SUBRECIPIENT shall not assign its rights or delegate its duties under this Agreement, without the prior written consent of COUNTY, which consent may be withheld. Any sale, assignment, or other transfer in violation of this Section 9 shall be null and void.

**10. BINDING ON SUCCESSORS**

This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto that are not prohibited by Section 9 above.

**11. INDEMNIFICATION**

SUBRECIPIENT agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless COUNTY and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments and/or liabilities arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by COUNTY on account of any claim except where such indemnification is prohibited by law. SUBRECIPIENT's indemnification obligation applies to COUNTY's active as well as passive negligence but does not apply to COUNTY's sole negligence or willful misconduct.

**12. INSURANCE**

COUNTY recognizes that the SUBRECIPIENT is self-insured for General Liability, Automobile Liability, Professional Liability and Workers' Compensation Liability and may purchase commercial insurance to cover its exposure hereunder, in whole or in part.

**13. OTHER GOVERNMENT REQUIREMENTS**

SUBRECIPIENT agrees to comply with all applicable federal, state and local laws, regulations, codes, ordinances, guidelines, directives, notices, bulletins, circulars, policies, procedures and all applicable program requirements, and to all amendments hereafter, including but not limited to the following:

**13.1** The HOME Regulations found at 24 CFR Part 92, and any amendments hereafter thereto, and

**13.2** The requirements of 24 CFR 92.257 concerning religious or faith-based organizations and agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 92.257 including but not limited to worship, religious instruction, or proselytization, and

**13.3** The requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C., §§ 4001 et seq.) and the Coastal Barrier Resources Act (16 U.S.C., §§ 3501 et seq.), and

**13.4** The provisions of the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C., §§ 4321 et seq.), and applicable related Federal laws and authorities at 24 CFR 50.4, and HUD's implementing regulations at 24 CFR Part 50, and

**13.5** The requirements of the Fair Housing Act (42 U.S.C., §§ 3601 et seq.) and implementing regulations at 24 CFR Part 100 and Part 110; Executive Order 11063 (Equal Opportunity in Housing) and implementing regulations at 24 CFR Part 107; and Title VI of the Civil Rights Act of 1964 (42 U.S.C., §§ 2000d et seq.) (Nondiscrimination in Federally Assisted Programs) and implementing regulations issued at 24 CFR Part 1, and will affirmatively further fair housing and not discriminate upon the basis of race, color, religion, ancestry, sex, marital status, mental or physical disability, age, familial status, sexual orientation, or national origin in the sale, lease, rental, use or occupancy of dwellings receiving assistance pursuant to this Agreement. The United States of America shall be deemed to be a beneficiary of this provision both for its own right and also for the purpose of protecting the interest of the community and other parties, public or private, in whose favor or for whose benefit this provision has been provided and shall have the right, in the event of any breach of this provision, to maintain any actions or suits at law or equity or any other proper proceedings to enforce the curing of such breach, and

**13.6** The Age Discrimination Act of 1975 (42 U.S.C., §§ 6101 et seq.) and implementing regulations at 24 CFR Part 146, which prohibit discrimination because of age in programs and activities receiving Federal financial assistance, and

**13.7** Section 504 of the Rehabilitation Act of 1973 (29 U.S.C., § 794), as amended, and with implementing regulations at 24 CFR Part 8, which prohibit discrimination based on handicap in Federally-assisted and conducted programs and activities, and

**13.8** SUBRECIPIENT shall comply with all provisions of Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086, and 12107 and implementing regulations at 41 CFR Chapter 60, and 24 CFR 92.350, which references 24 CFR Part 5, subpart A, including nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended or ineligible contractors; drug-free workplace; and nondiscrimination requirements at 42 U.S.C., § 12832.

**13.8.1** SUBRECIPIENT will not discriminate against any employee or applicant for employment because of sex, race, religion, color or national origin, ancestry, marital status, mental or physical disability, age, or sexual orientation. SUBRECIPIENT will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their sex, race, religion, color or national origin, ancestry, marital status, mental or physical disability, age, or sexual orientation. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment, recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship. SUBRECIPIENT agrees to post in conspicuous places,

available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

**13.8.2** SUBRECIPIENT will, in all solicitations or advertisements for employees placed by or on behalf of SUBRECIPIENT, state that all qualified applicants will receive consideration for employment without regard to sex, race, religion, color or national origin, ancestry, marital status, mental or physical disability, age, or sexual orientation.

**13.9** Executive Order 11625, as amended by Executive Orders 12007, 12432, and 12138, which state that program participants shall take affirmative action to encourage participation by minority- and women-owned business enterprises.

**13.10** Applicability of Uniform Administrative Requirements

**13.10.1** Governmental subrecipients shall abide by the policies, guidelines, and requirements of OMB Circular Nos. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 24 CFR Part 85 (Uniform Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments) as indicated at 24 CFR 92.505(a) as follows: 85.6, 85.12, 85.20, 85.22, 85.26, 85.32-34, 85.36, 85.44, 85.51, 85.52, in addition to 40 CFR Part 31, and the audit requirements OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations), and

**13.10.2** Non-profit subrecipients shall abide by the policies, guidelines and requirements of OMB Circular A-122 (Cost Principles for Nonprofit Organizations), A-110 (Uniform Administrative Requirements for Grants and other Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations), 24 CFR Part 84 (Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations) as indicated at 24 CFR 92.505(b) as follows: 84.2, 84.5, 84.13-16, 84.21-22, 84.26-28, 84.30-31, 84.34-37, 84.40-48, 84.51, 84.60-62, 84.72 and 84.73, in addition to 40 CFR Part 30, and the audit requirements OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations), and

**13.11** The Drug-Free Workplace Act of 1988 (41 U.S.C., §§ 8102 et seq.) and HUD's implementing regulations at 2 CFR Part 2429 in addition to the COUNTY's Drug-Free Workplace Policy, and

**13.12** The requirements of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR Part 35, and

**13.13** Conflict of interest provisions referred to in 24 CFR 92.356, 24 CFR 85.36, 24 CFR 84.42, and Section 530 of the Notice of Program Guidelines 56 F.R. 4458, which provide that no person who is an employee, agent, consultant, officer, or elected or appointed official of the entity and who exercises or has exercised any functions or responsibilities with respect to assisted activities, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one year thereafter, and

**13.14** The requirements of Section 104(d) of the Housing and Community Development Act of 1974 (42 U.S.C., §§ 5304), if applicable, or the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C, §§ 4601 et seq.).

**13.15** SUBRECIPIENT will cause the foregoing provisions of this Section 14 to be inserted in all contracts and subcontracts for any work covered by this Agreement so that such provisions will be binding upon such contractors and subcontractors, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

#### **14. CERTIFICATIONS**

SUBRECIPIENT certifies that:

**14.1** No Federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, for lobbying the Executive or Legislative Branches of the Federal Government. (Refer to the government-wide common rule governing the restrictions on lobbying, published as an interim rule on February 26, 1990 (55 FR 6736) and supplemented by a Notice published June 15, 1990 (55 FR 24540). For HUD, this rule is found at 24 CFR Part 87.

**14.2** In accordance with the Federal requirements set forth in 24 CFR Part 5, Subpart A, SUBRECIPIENT and its principals (a) are not presently debarred, suspended, proposed for debarment or suspension, declared ineligible, or involuntarily excluded from covered transactions (see 24 CFR Part 24; 2 CFR Part 2424) by any Federal department or agency; (b) have not within a three-year period preceding the effective date of this Agreement been convicted of or had a civil judgment rendered against them for commission of

embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement or receiving stolen property; (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in (b) of this certification; and (d) have not within a three year period preceding the effective date of this Agreement had one or more public transactions (Federal, State or local) terminated for cause or default. If SUBRECIPIENT is unable to certify to any other statements in this certification, SUBRECIPIENT shall attach an explanation to this Agreement.

**15. NOTICE**

Whenever any notice is permitted or required by this Agreement, such notice shall be deemed to have been given and received when personally delivered, or three (3) days after it is mailed if mailed by United States mail, certified, return receipt requested, to the parties at the addresses listed below or such other addresses as the parties hereafter designate in writing:

To Subrecipient:           City of Santa Maria  
                                  110 East Cook Street, Room 2  
                                  Santa Maria, CA 93454  
                                  Attn: City Manager

To County:                 County of Santa Barbara  
                                  105 E. Anapamu Street, Room 105  
                                  Santa Barbara, CA 93101  
                                  Attn: Community Services Director

**16. GENERAL PROVISIONS**

**16.1 SEVERABILITY**

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had not been contained herein.

**16.2 INTERPRETATION**

This Agreement shall be interpreted in accordance with and governed by the laws of the State of California. The language in all parts of this Agreement shall be, in all cases, construed according to its fair meaning and not strictly for or against COUNTY or SUBRECIPIENT.

**16.3 SINGULAR AND PLURAL**

As used herein, the singular of any word includes the plural.

**16.4 WAIVER OF PERFORMANCE**

Failure of a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure of a party to exercise any right upon the default of the other party, shall not constitute a waiver of such parties rights to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

**16.5 NO THIRD PARTY BENEFICIARIES**

This Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

**16.6 COUNTERPARTS**

This Agreement may be executed by the parties in counterparts, which counterparts shall be constructed together and have the same effect as if all the parties had entered the same instrument.

**16.7 CORPORATE AUTHORITY**

The person(s) executing this Agreement on behalf of each of the parties hereto represent and warrant that (i) such party, if not an individual, is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement such party is formally bound to the provisions of this Agreement, and (iv) entering into this Agreement does not violate any provisions of any other agreement to which such party is bound.

**16.8 ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between COUNTY and SUBRECIPIENT with respect to the subject matter hereof and supersedes all prior agreements and negotiations, oral and written. This Agreement may not be amended or modified in any respect whatsoever except by an instrument in writing, approved by the COUNTY and signed by COUNTY and SUBRECIPIENT.

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

[Signatures on Following Pages]

ATTEST:  
MONA MIYASATO  
CLERK OF THE BOARD

COUNTY OF SANTA BARBARA:

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

By: \_\_\_\_\_  
STEVE LAVAGNINO  
Chair, Board of Supervisors

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

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

By: \_\_\_\_\_  
Department Head

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



SUBRECIPIENT  
CITY OF SANTA MARIA, a municipal corporation

By: \_\_\_\_\_  
Richard J. Haydon  
City Manager

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

#### Attachments

- Exhibit A: Expenditure Summary and Payment Request
- Exhibit B: Admin Plan
- Exhibit C: Targeting and Tenant Selection Plan
- Exhibit D: TBRA Contract and Lease Addendum