

**SUBRECIPIENT AGREEMENT BETWEEN**

**THE COUNTY OF SANTA BARBARA**

**AND**

**THE CITY OF LOMPOC**

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

**EFFECTIVE DATE** The term of this Agreement shall be the date it is executed by COUNTY ("Effective Date") and it will terminate two (2) years from the Effective Date.

**RECITALS:**

WHEREAS, as the lead entity for the Santa Barbara County HOME Consortium participating 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, the SUBRECIPIENT is receiving a federal subaward as identified in Exhibit E in accordance with 2CFR 200.331(a)(1); and

WHEREAS, on May 12, 2015, the COUNTY, approved the FY 2015-16 Action Plan that included the use of HOME funds for Tenant-Based Rental Assistance ("TBRA") to assist low income persons with rental assistance and/or security deposit payments; and

WHEREAS, the City of Lompoc requested \$84,330 in HOME funds from the FY 2015-16 HOME allocation to administer a TBRA program in the City of Lompoc; and

WHEREAS, TBRA 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 92.2; and

WHEREAS, this Agreement is executed pursuant to the requirements set forth at 24 CFR 92.504 and 24 CFR 92.101(d) that require that a written agreement be executed between HOME subrecipients and HOME participating jurisdictions for the use of HOME funds, and

WHEREAS, the County Housing and Community Development Division will administer the Agreement on behalf of the COUNTY,

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

**1. HOME FUNDS AMOUNT**

In exchange for the satisfactory performance of this Agreement, the COUNTY hereby agrees to disburse to SUBRECIPIENT the amount of Eighty Four Thousand Three Hundred Thirty Dollars (**\$84,330**) 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.

## **2. CONDITIONS PRECEDENT**

SUBRECIPIENT covenants and agrees to conduct the activities described in Exhibit A, Scope of Services, in operating the Program. Failure to comply shall be an event of default under this Agreement.

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, completed an Environmental Review approved by COUNTY, and submitted a COUNTY-approved Administration Plan as set forth in Section 2 of Exhibit A, Scope of Services, of this Agreement.

Notwithstanding any provision of this Agreement, the parties hereto agree and acknowledge that this Agreement does not constitute a commitment of funds, and that such commitment of funds or approval only upon satisfactory completion of environmental review and receipt by County of a release of funds from the U.S. Department of Housing and Urban Development under 24 CFR Part §58. The parties further agree that the provision of any funds to the project is conditioned on the County's determination to proceed with, modify or cancel the project based on the results of a subsequent environmental review.

## **3. DISBURSEMENT OF HOME FUNDS**

Subject to satisfaction of the conditions precedent provided above in Section 2, the COUNTY shall disburse HOME funds to SUBRECIPIENT on a reimbursement basis in accordance with this Agreement. SUBRECIPIENT covenants and agrees to conduct the activities described in Exhibit A, Scope of Services, in operating the Program. Failure to comply shall be an event of default under this Agreement.

**3.1 FEDERAL REQUIREMENTS** SUBRECIPIENT shall carry out the HOME TBRA program in accordance with the federal requirements set forth at 24 CFR 92.209 and comply with other applicable regulations set forth at 24 CFR Part 92, which include but are not limited to the administrative requirements at 24 CFR Part 92, Subpart H.

**3.2 ELIGIBLE COSTS** SUBRECIPIENT shall expend HOME funds only for costs eligible in accordance with 24 CFR 92.209 and with the Scope of Services attached to and incorporated herein as Exhibit A. Costs incurred as of the EFFECTIVE DATE are eligible.

**3.3 EXPENDITURE SUMMARY AND PAYMENT REQUEST FORM** SUBRECIPIENT shall submit to the COUNTY on a monthly basis requests for disbursement ("Reimbursement Requests") of HOME funds using a form provided by the COUNTY, a sample of which is attached hereto as Exhibit B ("Expenditure Summary and Payment Request"). The amount requested shall be equal to the amount expended by SUBRECIPIENT for Eligible Costs.

**3.4 DISBURSEMENT DEADLINES** SUBRECIPIENT shall actively market the TBRA program, as necessary to ensure that funds are expended in accordance with Section 4 TERM of this Agreement and 24 CFR 92.500(d)(1)(C) to prevent recapture by HUD. In the event that

SUBRECIPIENT is unable to demonstrate sufficient progress to ensure that all funds will be expended in accordance with Section 4 TERM, COUNTY reserves the right to terminate this agreement or reduce the award to an amount that can be reasonable expended during the term of this Agreement. SUBRECIPIENT must submit Expense Summary and Payment Request (ESPR) forms—as outlined in Section 7.2—for all work performed in the fiscal year (July 1<sup>st</sup> through June 30<sup>th</sup>) by the 15<sup>th</sup> of the month following the end of the fiscal year, **July 15<sup>th</sup>**.

**3.5 PROGRAM INCOME** No Program Income will be generated from the TBRA program. Funds provided by SUBRECIPIENT on behalf of TBRA Tenants will be provided in the form of grants. There is no requirement for the SUBRECIPIENT to repay TBRA funds disbursed for eligible expenses to COUNTY or for TBRA Tenants to repay SUBRECIPIENT. TBRA tenants may retain Security and/or Utility deposits that are returned to them by landlords and/or utility companies.

**4. TERM** The term of this Agreement shall commence on the date it is executed by COUNTY (“Effective Date”) and will terminate two (2) years from the Effective Date. SUBRECIPIENT shall have fifteen (15) days from the date of termination to submit a Payment Request for Eligible Costs that were incurred by SUBRECIPIENT during the term of this Agreement but not previously submitted to COUNTY for reimbursement. Any HOME funds remaining after fifteen (15) days following the termination date shall be retained by COUNTY and allocated to other HOME-eligible uses.

**5. LIMITATIONS ON 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 TBRA Tenants or the landlords of TBRA Tenants. 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 above.

**6. REVERSION OF ASSETS** Upon expiration of this Agreement, SUBRECIPIENT shall transfer to COUNTY any HOME funds SUBRECIPIENT has on hand at the time of expiration and any accounts receivable attributable to the use of HOME funds pursuant to 24 CFR 92.504(c)(2)(vii), except as provided for in Section 4.

**7. PROGRAM ADMINISTRATION AND COMPLIANCE MONITORING**

**7.1 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:

- Written selection policies and criteria;
- Supporting documentation for preferences for specific categories of individuals with disabilities;

- Records supporting the rent standard and minimum tenant contribution established in accordance with §92.209(h);
- Records for each TBRA Tenant including but not limited to at least two months of source documentation used or relied upon to determine TBRA Tenant income eligibility;
- All written agreements executed in the course of administering the HOME TBRA program ;
- All financial transactions related to the TBRA Program;
- Property inspection reports;
- Calculation of the HOME subsidy; and
- Records demonstrating that each tenant-based rental assistance project meets the written tenant selection policies and criteria of §92.209(c), including
  - any targeting requirements;
  - the rent reasonableness requirements of §92.209(f);
  - the maximum subsidy provisions of §92.209(h).

SUBRECIPIENT shall maintain its accounting records in accordance with generally accepted accounting principles and OMB Circulars. SUBRECIPIENT agrees to retain all records for a period of at least five (5) years following SUBRECIPIENT's final payment of TBRA assistance pursuant to this Agreement, or the termination of this Agreement, or five (5) years following the close-out of any audit finding, whichever is later.

**7.2 Reports** SUBRECIPIENT shall prepare and deliver all data, reports and records that the COUNTY and HUD may require or request. In addition, SUBRECIPIENT shall submit all reports and data required in all the tabs of the Expense Summary & Payment Request (ESPR) form, a sample of which is provided in Exhibit B. This includes the Tenant Data Sheets that document beneficiary data that HUD requires the COUNTY to enter into Integrated Disbursement & Information System (IDIS). Monthly reimbursement requests shall not be paid unless complete reports are submitted.

**7.3 Audits** SUBRECIPIENT shall ensure that a qualified external audit firm conducts an annual audit in accordance with 2 CFR Part 2400 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and 2 CFR 200.331(a). If SUBRECIPIENT expends \$750,000 or more in federal funds (or other threshold amount as may be required by the Federal Office of Management and Budget) within its fiscal year, Subrecipient shall have a Single Audit in accordance with Federal regulations.

For agreements that exceed 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 any audits and reviews, whether by COUNTY or the State, 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 as specified by COUNTY in the notification.

**7.4 Review by COUNTY** SUBRECIPIENT agrees that COUNTY shall have the right to review at any time during regular working hours all records, including but not limited to SUBRECIPIENT performance, compliance with HOME regulations, record keeping, and financial management. COUNTY may also 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.

**7.5 Reimbursement for Improper Expenditures** If it is determined by COUNTY, or any federal agency 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 or not authorized pursuant to 24 CFR Part 92, 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 7.5 shall survive the termination of this Agreement.

**7.6 Uniform Administrative Requirements** SUBRECIPIENT shall comply with the applicable uniform administrative requirements as described in Section 92.505 of the HOME Regulations.

**8. EVENTS OF DEFAULT** This Agreement will be in default should any of the following events occur ("Event of Default"):

**8.1 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.

**8.2 Failure to Use Funds as Intended** If SUBRECIPIENT fails to use the funds for the Program as provided herein.

**8.3 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.

**9. RIGHTS AND OBLIGATIONS UPON EVENT OF DEFAULT** The parties shall have the following rights and obligations in the Event of Default:

**9.1 Notice of Default** Upon the occurrence of an Event of Default described in Section 8.1 or 8.2, 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 8.3, SUBRECIPIENT shall notify COUNTY in writing of such occurrence, including a description of the Event of Default.

**9.2 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.

**10. REMEDIES**

**10.1 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:

**10.1.1** Terminate this Agreement

**10.1.2** Demand reimbursement pursuant to Section 7.5 above.

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

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

**11. 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 2 CFR Part 2400 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. 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 8.

**11.1 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 non-appropriation of funds, or because of the failure of SUBRECIPIENT to fulfill the obligations herein.

**11.1.1 For Convenience** In accordance with 2 CFR Part 2400 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, this Agreement may be terminated for convenience by COUNTY with the consent of SUBRECIPIENT

in which case the two parties shall agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated.

**11.1.2 For Nonappropriation of Funds** Notwithstanding any other provision of this Agreement, in the event that no funds or insufficient funds are appropriated or budgeted by federal, state or COUNTY governments, or funds are not otherwise available for payments in the fiscal year(s) covered by the term of this Agreement, then COUNTY will notify 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.

**11.1.3 For Cause** Should SUBRECIPIENT default in the performance of this Agreement or materially breach any of its provisions, and not cure the event of default within the period prescribed in section 9.2, COUNTY may, at COUNTY's sole option, terminate or suspend this Agreement in whole or in part by written notice. Upon receipt of notice, SUBRECIPIENT shall immediately discontinue all services affected (unless the notice directs otherwise) and notify COUNTY as to the status of its performance. The date of termination shall be the date the notice is received by SUBRECIPIENT, unless the notice directs otherwise.

**11.2 Termination by Subrecipient** In accordance with 2 CFR Part 2400 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, this Agreement may be terminated by SUBRECIPIENT, upon written notification to COUNTY, setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. However, if, in the case of a partial termination, COUNTY determines that the remaining portion of the award will not accomplish the purposes for which the award was made, COUNTY may terminate the award in its entirety under either 24 CFR 85.43 or 24 CFR 85.44(a).

**11.3 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 performing this Agreement, whether completed or in process, except such items as COUNTY may, by written permission, permit SUBRECIPIENT to retain.

**11.4 Reimbursement to HUD** 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 an application, or a notice of award, any applicable term of this Agreement, or any law, regulation, ordinance, order, rule, directive, circular, bulletin, notice, guideline or policy referred to herein, or as may become applicable at any time, SUBRECIPIENT shall fully and completely reimburse COUNTY in the total amount of such disallowed payments.

**12. 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 12 shall be null and void.

**13. 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 12 above.

**14. INDEMNIFICATION** SUBRECIPIENT agrees to indemnify, defend (with counsel approved by COUNTY, which approval will not be unreasonably withheld) 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.

**15. 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.

**16. 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:

**16.1 HOME Regulations** The HOME Regulations found at 24 CFR Part 92, and any amendments thereto;

**16.2 Religious Organizations** 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;

**16.3 Flood Disaster Act** 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.);

**16.4 NEPA** 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;

**16.5 Fair Housing** 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;

**16.5.1 Affirmative Marketing** SUBRECIPIENT must comply with the COUNTY'S Affirmative Marketing Policy and any subsequent amendments, attached hereto as Exhibit D and "Affirmative Marketing; minority outreach program" as set forth at 24 CFR 92.351;

**16.6 Age Discrimination** 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;

**16.7 Rehabilitation Act** 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;

**16.8 Other Federal Requirements** 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;

**16.8.1 Nondiscrimination** 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;

**16.8.2 Staff Recruitment** 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;

**16.9 Minority and Women Businesses** 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;

**16.10 URA** Applicability of Uniform Administrative Requirements;

**16.10.1 Cost Principles for Governmental SUBRECIPIENTS** Governmental subrecipients shall abide by the policies, guidelines, and requirements of 2 CFR Part 2400 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, in addition to 40 CFR Part 31;

**16.10.2 Cost Principles for Non-profit SUBRECIPIENTS** Non-profit subrecipients shall abide by the policies, guidelines and requirements of 2 CFR Part 2400 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, in addition to 40 CFR Part 30;

**16.11 Drug-Free Workplace** 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;

**16.12 Lead-Based Paint** 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;

**16.13 Conflict of Interest** Conflict of interest provisions referred to in 24 CFR 92.356, 2 CFR Part 2400 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 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. The SUBRECIPIENT "must promptly disclose to the COUNTY, in writing, any potential conflict of interest;

**16.14 Violation of Federal Law** 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 §200.338 Remedies for noncompliance, including suspension or debarment. (See also 2 CFR parts 180 and 2424 and 31 U.S.C. 3321);

**16.15 Uniform Relocation Assistance** 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.); and

**16.16 SUBRECIPIENT Contracts** SUBRECIPIENT will cause the foregoing provisions of this Section 16 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.

**17. CERTIFICATIONS** SUBRECIPIENT certifies that:

**17.1 Lobbying** 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.

**17.2 Ineligible SUBRECIPIENTS** 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.

**18. 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 Lompoc  
100 Civic Center Plaza  
Lompoc CA, 93436  
Attn: City Manager

To County: County of Santa Barbara  
123 E. Anapamu Street, 2<sup>nd</sup> Floor  
Santa Barbara, CA 93101  
Attn: Community Services Director

**19. GENERAL PROVISIONS**

**19.1 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.

**19.2 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.

**19.3 Singular and Plural** As used herein, the singular of any word includes the plural.

**19.4 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.

**19.5 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.

**19.6 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.

**19.7 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.

**19.8 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.

**19.9 Changes or Amendments** Any changes to this Agreement, unless otherwise noted, may only be made through a written amendment to this Agreement executed by 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 a duly authorized representative of each party. Such amendments shall not invalidate any parts of this Agreement that are not changed by the amendment, nor relieve or release COUNTY or SUBRECIPIENT from its 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 federal, state or local governmental laws, regulations, ordinances, orders, rules, directives, circulars, bulletins, notices, guidelines, policies and available funding amounts.

The Director of the County Community Services Department or designee is authorized to approve at his or her discretion and execute amendments on behalf of COUNTY to make any one or more of the following changes:

**19.9.1** Changes to the Budget set forth in the Scope of Services attached as Exhibit A. Such changes shall be limited to revisions to the amounts in each Budget line item, provided that the overall amount of the HOME funds in Section 1 of this Agreement is not increased; to change or make additions to "Expenditure Types" in the Budget; provided that all Expenditure Types are eligible pursuant to 24 CFR 92.209.

**19.9.2** Changes to the Agreement that are necessary in order to conform with federal, state or local governmental laws, regulations, ordinances, orders, rules, directives, circulars, bulletins, notices, guidelines, policies and available funding amounts.

**19.9.3** Changes extending the length of the Term as described in Section 4 up to a maximum of 5 years after the last day of the month in which HUD notifies COUNTY of HUD's execution of the HOME Investment Partnership Agreement for the HOME funds awarded in this contract [24 CFR 92.500(d)(1)(C)]. This Section 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 award as set forth in Section 3.4. Any change made to the length of the Term pursuant to this Section shall not alter or waive the County's rights under this agreement, including but not limited to the County's right to terminate this Agreement or reduce the award as set forth in Section 3.4.

**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]

**COUNTY OF SANTA BARBARA**

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

By: \_\_\_\_\_

Janet Wolf, Chair  
BOARD OF SUPERVISORS

**ATTEST:  
MONA MIYASATO  
COUNTY EXECUTIVE OFFICER  
CLERK OF THE BOARD**

By: \_\_\_\_\_

George Chapjian, Director  
Community Services Department

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

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

**APPROVED AS TO FORM:  
MICHAEL C. GHIZZONI  
COUNTY COUNSEL**

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

By: \_\_\_\_\_  
Scott Greenwood  
Deputy County Counsel

By: \_\_\_\_\_  
Deputy Auditor-Controller

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

**APPROVED AS TO FORM:  
CITY ATTORNEY, CITY OF LOMPOC**

By: \_\_\_\_\_  
Risk Manager

By: \_\_\_\_\_  
Joseph W. Pannone Jr.

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

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

**SUBRECIPIENT  
CITY OF LOMPOC, a municipal corporation**

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

By: \_\_\_\_\_  
Patrick Wiemiller  
City Manager

**EXHIBITS**

Exhibit A: Scope of Services

Exhibit B: Expenditure Summary and Payment Request Form

Exhibit C: HOME Lease Addendum

Exhibit D: County Affirmative Marketing Policy

Exhibit E: Federal Award Identification Information