

November 14, 2024

BCC Agenda Date/Item: \_\_\_\_\_

Board of County Commissioners  
 Clackamas County

**Approval of a Subrecipient Grant Agreement with The Little Blue Store for a healthy retail pilot program to end tobacco sales. Agreement value is \$20,000 for 10 months. Funding is through the Oregon Health Authority. No County General Funds are involved.**

<b>Previous Board Action/Review</b>	Briefed at Issues on November 5, 2024.		
<b>Performance Clackamas</b>	1. Ensure safe, healthy, and secure communities 2. Health outcome disparities identified in the Community Health Improvement Plan will be reduced.		
<b>Counsel Review</b>	Yes: Sarah Foreman	<b>Procurement Review</b>	No
<b>Contact Person</b>	Philip Mason-Joyner	<b>Contact Phone</b>	503-742-5956

**EXECUTIVE SUMMARY:** The Clackamas County Public Health Division (CCPHD) of the Health, Housing, and Human Services Department requests the approval of a Non-Federal Subrecipient Grant Agreement with The Little Blue Store

to support the Healthy Retail Grant to end tobacco sales and offer healthy food alternatives.

The CCPHD Tobacco Prevention and Education Program (TPEP) recognizes the role of the retail environment in affecting commercial tobacco use in Clackamas County communities. Research has shown that tobacco retailer density and proximity are associated with higher rates of tobacco use and lower rates of successful quit attempts. With nearly 300 licensed tobacco retailers in the county, many communities are saturated with places to access tobacco and nicotine products.

To help address this issue, TPEP developed a strategy to support an independently owned convenience store in shifting its business model from one that sells commercial tobacco to one that offers healthier items to the community, such as fresh produce. Similar “healthy retail” initiatives have been launched nationwide to help increase access to fresh foods; however, working with a retailer to end their tobacco sales is a unique approach. This pilot project is the first of its kind in Oregon and is already serving as a model for other counties interested in exploring similar strategies. In addition to promoting health, TPEP’s pilot with the Little Blue Store will help determine the feasibility of scaling up a Healthy Retail program to partner with multiple corner stores across the county.

For Filing Use Only

On May 23, 2024, TPEP staff opened a competitive notice of funding opportunity aimed at small, independently owned tobacco retailers; a review committee awarded The Little Blue Store. Based in Milwaukie, The Little Blue Store has been a community mainstay for decades and has strong ties to its neighbors. It could offer the community a healthier place to shop, where tobacco products have been replaced with fresh produce and culturally specific foods.

The grant award period is August 15, 2024 – June 30, 2025. The contract period is upon signature through June 30, 2025.

**RECOMMENDATION:** The Staff respectfully requests that the Board of County Commissioners approve this Agreement (11829 PH-25-002) and authorize Chair Smith to sign on behalf of Clackamas County.

Respectfully submitted,



Rodney A. Cook,  
Director of Health, Housing, and Human Services

**CLACKAMAS COUNTY, OREGON  
LOCAL SUBRECIPIENT GRANT AGREEMENT PH25-002**

Program Name: **Healthy Retail Grant**  
Program Number: 11829

This Agreement is between **Clackamas County**, Oregon, acting by and through its  
Department of Public Health Division ("COUNTY"),  
and **The Little Blue Store** ("SUBRECIPIENT"), a Sole Proprietor.

**Clackamas County Data**

Grant Accountant: Sherry Olson

Program Manager: Armando Jimenez

Clackamas County – Finance  
2051 Kaen Road  
Oregon City, OR 97045  
Phone: (503) 742-5342  
Email: [SOlson4@clackamas.us](mailto:SOlson4@clackamas.us)

Clackamas County Public Health  
2051 Kaen Road, Suite #367  
Oregon City, OR 97045  
Phone: (971) 219-9069  
Email: [AJimenez@clackamas.us](mailto:AJimenez@clackamas.us)

**Subrecipient Data**

Finance/Fiscal Representative: Selam Tkabo

Program Representative: Hagos Tekle

2936 SE Washington St.  
Milwaukie, OR 97222  
Phone: 408-858-6442  
Email: [SelamTkabo78@gmail.com](mailto:SelamTkabo78@gmail.com)

2936 SE Washington St.  
Milwaukie, OR 97222  
Phone: 650-793-6187  
Email: [hagostekle1@gmail.com](mailto:hagostekle1@gmail.com)

**RECITALS**

1. Commercial tobacco use is the leading cause of preventable death and disease in Oregon; each year, it kills more people than the next six leading causes of preventable death combined. A 2024 analysis of commercial tobacco's toll in one year in Clackamas County revealed sobering impacts: more than 3,000 people were diagnosed with a tobacco-related illness, and more than 650 of them died from that illness. These deaths led to \$232.5 million in productivity losses in the county. Partnering with a small retailer to end their tobacco sales and promote healthier products allows us to demonstrate a novel environmental change strategy that promotes community health and seeks to establish a model for other similar businesses. This type of partnership and funding opportunity is the first of its kind to be explored by a local public health authority in Oregon, and the county's work on the project is already serving as an example for other counties in the state.
2. The Little Blue Store was selected by a review committee consisting of Clackamas County and Marion County staff on July 29, 2024, through a competitive Notice of Funding Opportunity (NOFO) process. The Little Blue Store was selected as a recipient of this award because of their clear understanding of the grant's purpose to reduce the impact of commercial tobacco on public health, their strong project proposal, and their connections to the community. This subrecipient is a minority and woman-owned business located in an area where more than 20% of the population identifies as Black, Indigenous or a person of color. Selecting The Little Blue Store means prioritizing populations that have been disproportionately impacted by commercial tobacco use, as well as helping the county increase its ability to award funding to diverse partners.

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3. Clackamas County requires:

- End their tobacco sales and transition their business model to one that better supports community health for the 18-month period from August 15, 2024, through February 15, 2026.
- Participate in activities to help evaluate the project, such as collecting customer feedback.
- Supply sales data.
- Attend monthly check-ins with Marc Czornij, Grant Coordinator, during the Award Period (August 15, 2024 – June 30, 2025), and at least three check-ins during the remainder of the agreement (July 1, 2025 – February 15, 2026).

NOW THEREFORE, according to the terms of this Local Grant Agreement the COUNTY and SUBSUBRECIPIENT agree as follows:

### AGREEMENT

1. **Term and Effective Date.** This Agreement shall become effective on the date it is fully executed and will terminate on June 30, 2025, unless sooner terminated or extended pursuant to the terms hereof. Eligible expenses for this Agreement may be charged during the period beginning **August 15, 2024**, and expiring **June 30, 2025**, subject to additional restrictions set forth below and to the exhibits attached hereto, and unless this Agreement is sooner terminated or extended pursuant to the terms hereof. No grant funds are available for expenditures after the expiration date of this Agreement.
2. **Program.** The Program is described in Exhibit A: Subrecipient Statement of Program Objectives & Performance Reporting, attached hereto and incorporated by this reference herein. SUBRECIPIENT agrees to carry out the Program in accordance with the terms and conditions of this Agreement and according to SUBRECIPIENT scope of work in Exhibit A.
3. **Standards of Performance.** SUBRECIPIENT shall perform all activities and programs in accordance with the requirements set forth in this Agreement and all applicable laws and regulations. Furthermore, SUBRECIPIENT shall perform all activities and programs within the requirements of Program Element (PE) 13 - Commercial Tobacco Prevention (TPEP), Local Public Health Authority (LPHA) Agreement #180003 issued to COUNTY by Oregon Health Authority (OHA) that are the source of the grant funding and other required information in Exhibits A- G, which are attached to and made a part of this agreement by this reference. SUBRECIPIENT shall further comply with any and all terms, conditions, and other obligations as may be required by the applicable local or State agencies providing funding for performance under this Agreement, whether or not specifically referenced herein. SUBRECIPIENT agrees to take all necessary steps and execute and deliver any and all necessary written instruments, to perform under this Agreement including, but not limited to, executing all additional documentation necessary to comply with applicable State other funding requirements.
4. **Grant Funds.** COUNTY's funding for this Agreement is (PE) 13 – Tobacco Prevention & Education Program (TPEP), Local Public Health Authority (LPHA) Agreement #180003 issued to COUNTY by Oregon Health Authority (OHA). The maximum, not to exceed, grant amount that the COUNTY will pay is **\$20,000**. This is an advanced request grant, the award is conditional, and disbursements will be made in accordance with the schedule and requirements contained in Required Financial Reporting and Payment Request. Failure to comply with the terms of this Agreement may result in withholding of payment. Funds advanced and unspent must be returned to COUNTY within 30 days of the end of termination period in Section 1 if award conditions are not met.
5. **Disbursements.** 20% (\$4,000) of award funds disbursed upon contract execution, thereafter Subrecipient will submit a monthly request for advancement of funds. All request for advancements requires approval by county in accordance with the requirements contained in Exhibit C: Account Reconciliation. The Little Blue Store will submit a monthly request for advancement and an Account

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Reconciliation or Budget to Actuals Report of true and verifiable expenses that match the expenses included in their budget monthly reporting. All unspent funds will be returned to the County by July 30, 2025.

5.1. Failure to comply with the terms of this Agreement may result in withholding of payment.

6. **Amendments.** The terms of this Agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by both parties. **SUBRECIPIENT must submit a written request including a justification for any amendment to COUNTY in writing at least forty-five (45) calendar days before this Agreement expires.** No payment will be made for any services performed before the beginning date or after the expiration date of this Agreement. If the maximum compensation amount is increased by amendment, the amendment must be fully executed before SUBRECIPIENT performs work subject to the amendment.

7. **Termination.** This Agreement may be suspended or terminated prior to the expiration of its term as follows:

- a. At COUNTY's discretion, upon thirty (30) days' advance written notice to SUBRECIPIENT;
- b. Immediately upon written notice to SUBRECIPIENT if SUBRECIPIENT fails to comply with any term of this Agreement;
- c. At any time upon mutual agreement by COUNTY and SUBRECIPIENT.
- d. Immediately upon written notice provided to SUBRECIPIENT that COUNTY has determined funds are no longer available for this purpose.
- e. Immediately upon written notice provided to SUBRECIPIENT that COUNTY lacks sufficient funds, as determined by COUNTY in its sole discretion, to continue to perform under this Agreement.
- f. Immediately upon written notice to SUBRECIPIENT if SUBRECIPIENT is in default under this Agreement.

Upon completion of improvements or upon termination of this Agreement, any unexpended balances shall remain with COUNTY.

8. **Effect of Termination.** The expiration or termination of this Agreement, for any reason, shall not release SUBRECIPIENT from any obligation or liability to COUNTY, or any requirement or obligation that:

- a. Has already accrued hereunder;
- b. Comes into effect due to the expiration or termination of the Agreement; or
- c. Otherwise survives the expiration or termination of this Agreement.

Following the termination of this Agreement, SUBRECIPIENT shall promptly identify all unexpended funds and return all unexpended funds to COUNTY. Unexpended funds are those funds received by SUBRECIPIENT under this Agreement that (i) have not been spent or expended in accordance with the terms of this Agreement; and (ii) are not required to pay allowable costs or expenses that will become due and payable as a result of the termination of this Agreement.

9. **Funds Available and Authorized.** COUNTY certifies that it has received an award sufficient to fund this Agreement. SUBRECIPIENT understands and agrees that payment of amounts under this Agreement is contingent on COUNTY receiving appropriations or other expenditure authority sufficient to allow COUNTY, in the exercise of its sole administrative discretion, to continue to make payments under this Agreement.

10. **Future Support.** COUNTY makes no commitment of future support and assumes no obligation for future support for the activity contracted herein except as set forth in Section 8.

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**11. State Procurement Standards**

- a) COUNTY's performance under the Agreement is conditioned upon SUBRECIPIENT's compliance with, and SUBRECIPIENT shall comply with, the obligations applicable to public contracts under the Local Contract Review Board ("LCRB") regulations (Appendix C of Clackamas County Code, located at <http://www.clackamas.us/code/>), which are incorporated by reference herein.
- b) Procurements for goods and services under this award shall use processes as outlined below:

\$0-\$5,000	Direct procurement	One vendor contact
\$5,000-\$50,000	Intermediate procurement	Obtain & document three quotes, award on best value
\$50,000-\$150,000	Intermediate Plus procurement	Issue request for quotes or other appropriate form of solicitation, award on best value
+\$150,000	Formal	Formal solicitation process following written procurement policies

- c) All procurement transactions, whether negotiated or competitively bid and without regard to dollar value, shall be conducted in a manner so as to provide maximum open and free competition. All sole-source procurements in excess of \$5,000 must receive prior written approval from COUNTY in addition to any other approvals required by law applicable to SUBRECIPIENT. Justification for sole-source procurement in excess of \$5,000 should include a description of the project and what is being contracted for, an explanation of why it is necessary to contract noncompetitively, time constraints and any other pertinent information. Intergovernmental agreements are excluded from this provision.
- d) SUBRECIPIENT must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of contracts. If SUBRECIPIENT has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, SUBRECIPIENT must also maintain written standards of conduct covering organizational conflicts of interest. SUBRECIPIENT shall be alert to organizational conflicts of interest or non-competitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. Contractors that develop or draft specifications, requirements, statements of work, and/or Requests for Proposals ("RFP") for a proposed procurement must be excluded by SUBRECIPIENT from bidding or submitting a proposal to compete for the award of such procurement. Any request for exemption must be submitted in writing to COUNTY.
- e) SUBRECIPIENT agrees that, to the extent they use contractors or subcontractors, SUBRECIPIENT shall use small, minority-owned, and/or women-owned businesses when possible.

12. **No Duplicate Payment.** SUBRECIPIENT may use other funds in addition to the grant funds to complete the Program; provided, however, SUBRECIPIENT may not credit or pay any grant funds for Program costs that are paid for with other funds and would result in duplicate funding.

13. **Non-supplanting.** SUBRECIPIENT must ensure funds provided in this Agreement are used to supplement and not supplant moneys budgeted or received from any other source for the same activities.

**14. General Agreement Provisions.**

- a) **Non-appropriation Clause.** If payment for activities and programs under this Agreement extends into COUNTY's next fiscal year, COUNTY's obligation to pay for such work is subject to approval of future appropriations to fund the Agreement by the Board of County Commissioners.

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- b) **Indemnification.** SUBRECIPIENT agrees to indemnify and hold COUNTY, and its elected officials, officers, employees, and agents, harmless with respect to any claim, cause, damage, action, penalty or other cost (including attorney's and expert fees) arising from or related to (1) SUBRECIPIENT's negligent or willful acts or those of its employees, agents, or those under SUBRECIPIENT's control; or (2) SUBRECIPIENT's acts or omissions in performing under this Agreement including, but not limited to, any claim by State or Federal funding sources that SUBRECIPIENT used funds for an ineligible purpose. SUBRECIPIENT is responsible for the actions of its own agents and employees, and COUNTY assumes no liability or responsibility with respect to SUBRECIPIENT's actions, employees, agents or otherwise with respect to those under its control.
- c) **Assignment.** This Agreement may not be assigned in whole or in part without the prior express written approval of COUNTY.
- d) **Independent Status.** SUBRECIPIENT is independent of COUNTY and will be responsible for any federal, state, or local taxes and fees applicable to payments hereunder. SUBRECIPIENT is not an agent of COUNTY and undertakes this work independent from the control and direction of COUNTY excepting as set forth herein. SUBRECIPIENT shall not seek or have the power to bind COUNTY in any transaction or activity.
- e) **Notices.** Any notice provided for under this Agreement shall be effective if in writing and (1) delivered personally to the addressee or deposited in the United States mail, postage paid, certified mail, return receipt requested, (2) sent by overnight or commercial air courier (such as Federal Express), (3) sent by electronic mail with confirming record of delivery confirmation through electronic mail return-receipt, or by confirmation that the electronic mail was accessed, downloaded, or printed. Notice will be deemed to have been adequately given three days following the date of mailing, or immediately if personally served. For service by facsimile or by electronic mail, service will be deemed effective at the beginning of the next working day.
- f) **Governing Law.** This Agreement is made in the State of Oregon and shall be governed by and construed in accordance with the laws of that state without giving effect to the conflict of law provisions thereof. Any litigation between COUNTY and SUBRECIPIENT arising under this Agreement or out of work performed under this Agreement shall occur, if in the state courts, in the Clackamas County court having jurisdiction thereof, and if in the federal courts, in the United States District Court for the State of Oregon.
- g) **Severability.** If any provision of this Agreement is found to be illegal or unenforceable, this Agreement nevertheless shall remain in full force and effect and the provision shall be stricken.
- h) **Counterparts.** This Agreement may be executed in any number of counterparts, all of which together will constitute one and the same Agreement. Facsimile copy or electronic signatures shall be valid as original signatures.
- i) **Third Party Beneficiaries.** Except as expressly provided in this Agreement, there are no third party beneficiaries to this Agreement. The terms and conditions of this Agreement may only be enforced by the parties.
- j) **Binding Effect.** This Agreement shall be binding on all parties hereto, their heirs, administrators, executors, successors and assigns.
- k) **Integration.** This Agreement contains the entire Agreement between COUNTY and SUBRECIPIENT and supersedes all prior written or oral discussions or Agreements.
- l) **No Attorney Fees.** In the event any arbitration, action or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this Agreement, each party shall be responsible for its own attorneys' fees and expenses.

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- m) **Debt Limitation.** This Agreement is expressly subject to the limitations of the Oregon Constitution and Oregon Tort Claims Act and is contingent upon appropriation of funds. Any provisions herein that conflict with the above referenced laws are deemed inoperative to that extent.

**15. Agreement Documents.**

This Agreement consists of the following documents, which are attached and incorporated by reference herein:

- Exhibit A: SUBRECIPIENT Scope of Work & Performance Reporting
- Exhibit B: SUBRECIPIENT Program Budget
- Exhibit C: Required Financial Reporting and Payment Request
- Exhibit D: General Administrative Requirements and Terms & Conditions
- Exhibit E: SUBRECIPIENT Insurance Requirements
- Exhibit F: Funder-specific Program Requirements
- Exhibit G: Original Notice of Funding Opportunity, related FAQ's, and SUBRECIPIENT's approved proposal and certification.

In the event of a conflict between the terms of any exhibits to this Agreement, interpretations shall be based on the following order of precedence:

- This Agreement
- Exhibit G
- Exhibit D
- Exhibit F
- Exhibit E
- Exhibit A
- Exhibit C
- Exhibit B

SIGNATURE PAGE TO SUBRECIPIENT GRANT AGREEMENT

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers.

CLACKAMAS COUNTY

THE LITTLE BLUE STORE

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

By: Selam Tkabo

Its: \_\_\_\_\_

Its: Owner

Dated: \_\_\_\_\_

Dated: 10/17/24

Approved to Form

By: Jessie Foreman 2024.10.17 12:21:04  
County Counsel -07'00'

Dated: \_\_\_\_\_



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**EXHIBIT A**  
**SUBRECIPIENT SCOPE OF WORK AND PERFORMANCE REPORTING**

<b>PROGRAM NAME:</b> Tobacco Prevention & Education Program Healthy Retail Grant	#11829 PH25-002
<b>SUBRECIPIENT: The Little Blue Store</b>	

**Project Description:**

As a recipient of Clackamas County Public Health’s Healthy Retail Grant, The Little Blue Store aims to support community health by ending their commercial tobacco and nicotine sales and offering healthier products such as fresh produce and hot culturally preferred foods.

The purpose of the grant is to reduce access to tobacco products which will support current tobacco users in quitting, discourage youth from starting, and save lives. The process of eliminating tobacco products from the retailer's inventory may require them to seek alternative sources of revenue or developing a new business plan. Incorporating healthier options such as fruits and vegetables could lessen the financial impact during the transition and provide the retailer with a unique opportunity to broaden their business and maintain a competitive edge amidst potential changes in tobacco retail legislation.

The Little Blue Store will install equipment to store fresh produce and ingredients for hot food preparation. They will use funds to purchase this equipment and make necessary property improvements to support it. Funds will also be used to print signage to promote the store’s new products and offerings.

This pilot project is the first of its kind to be explored by a local public health authority in Oregon, and the county’s work on the project is already serving as a model for other counties in the state. Partnering with The Little Blue Store will help determine the feasibility of developing a larger Healthy Retail program with the goal of working with multiple corner stores across the county.

**Deliverables:** Contractor will deliver to the County the following deliverables:

No.	Description of Deliverables	Due Date or Estimated Duration
1	Subrecipient will remove all tobacco/nicotine products from sales area and any tobacco/nicotine signage viewable by the public.	8/15/2024 – 9/30/2024
2	Subrecipient will develop plan to address remaining tobacco/nicotine inventory.	8/15/2024 – 9/30/2024
3	Subrecipient will participate in activities to help promote project: interviews and photo and video shoots with CCPHD staff and media partners.	8/15/2024 – 2/15/2026
4	Subrecipient will participate in activities to evaluate project: interviews with grant coordinator, supplying sales data and supporting CCPHD staff interviews with customers.	8/15/2024 – 2/15/2026
5	Subrecipient will purchase and have installed new equipment to support the sale of fresh produce and hot foods; necessary property improvements will be made to support new equipment.	10/1/2024 – 1/31/2025
6	Subrecipient will develop system to track sales of new grant-funded products and services.	12/1/2024 – 1/31/2025
7	Subrecipient will develop signage to promote new products/services.	12/1/2024 – 1/31/2025
8	Subrecipient will promote new products/services locally to the community through print media, online media and through personal relationships.	12/1/2024 – 1/31/2025

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9	Subrecipient will host in-store events and activities to promote new products/services.	3/1/2025 – 6/30/2025
10	Subrecipient will assess the feasibility of developing a garden on its property to grow produce for sale.	4/1/2025 – 6/30/2025

The County will deliver to the Contractor the following deliverables:

No.	Deliverables	Responsible Party	Estimated completion date
1	Will provide educational materials on the healthy retail business model.	County	8/30/2024
2	Grantee orientation to review invoicing, contracting, and reporting requirements.	County	11/8/2024
3	Will provide design services for promotional materials.	County	6/30/2025
4	Will support promotion of new business model to community and media partners.	County	6/30/2025
5	Will offer technical assistance to grantee based on needs.	County	2/15/2026
6	Will provide Introduction to community partners based on needs.	County	2/15/2026
7	Monthly check-ins with Grant Coordinator during Award Period and at least 3 check-ins during the remainder of the agreement.	County	2/15/2026

**Milestones:**

No.	Tasks/Milestones	Responsible Party	Estimated completion date
1	Final invoice of true and verifiable expenses that match the expenses included in the Subrecipient's budget.	Subrecipient	7/30/2025
2	Return unspent grant funds to the County.	Subrecipient	7/30/2025

**Additional Requirements:**

No.	Special Requirements of Contractor or County
1	Subrecipient agrees to not sell commercial tobacco/nicotine products for the 18-month period spanning 8/15/2024 – 2/15/2026.
2	Subrecipient agrees to comply with Exhibit F.

**Fees:**

Maximum amount to be paid: \$20,000
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**Payment Schedule:**

20% (\$4,000) of award funds disbursed upon contract execution, thereafter Subrecipient will submit a monthly request for advance payment. Monthly advance payment request must be submitted with an Account Reconciliation or Budget to Actuals Report of true and verifiable expenses that match the expenses included in their budget monthly reporting. Requests for advanced monthly payment requires approval from Grant Coordinator and County.
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**EXHIBIT B**

**SUBRECIPIENT Program Budget**

<b>PROGRAM NAME:</b>		#11829 PH25-002
Tobacco Prevention & Education Program Healthy Retail Grant		
<b>SUBRECIPIENT: The Little Blue Store</b>		
<b>SUBRECIPIENT BUDGET</b>		
<i>See Instructions tabs at bottom of document</i>		
<b>Organization:</b>	The Little Blue Store	
<b>Program Contact:</b>	Hagos Tekle	
<b>Agreement Term:</b>	8/19/2024 - 6/30/2025	
<b>Programmatic Costs</b>		<b>Funds Allocated</b>
<u>Equipment</u>		
Walk-in Cold Storage		\$ 8,000.00
Hood and Stove or Trailer		\$ 7,000.00
Vegetable Display		\$ 1,000.00
<u>Contracted Labor</u>		
Cold storage installation		\$ 1,170.00
<i>Section Total</i>		\$ 17,170.00
<b>Additional Costs (please specify)</b>		
Signage		\$ 250.00
<i>Section Total</i>		\$ 250.00
Indirect Rate (10%)		\$ 1,717.00
Insurance Requirement Reserve (5%)		\$ 858.50
<b>Total Grant Costs</b>		<b>\$ 19,995.50</b>

Cannot exceed \$20,000

EXHIBIT C

ACCOUNT RECONCILIATION

EXHIBIT C: Account Reconciliation					
CLACKAMAS COUNTY XXXXX [DEPARTMENT/DIVISION]					
<b>SUBRECIPIENT:</b>		<b>CLAIM PERIOD:</b>		Note: This form derives from the approved budget in your grant agreement. All expenditures must have adequate supporting documentation.	
Program Name:		Jul-19			
Program Contact:					
Agreement Term:					
Agreement Number: XX-XXX					
Category	Approved Grant Amount	Monthly Grant Expenditure	Total Monthly Expenditure	YTD Grant Expenditure	Balance
<b>Personnel</b> (List salary, FTE & Fringe costs for each position)					
[Funded Position Name - Salary]	\$ -	\$ -	\$ -	\$ -	\$ -
[Funded Position Name - Fringe]	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Personnel Services</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Supplies</b>					
Phone, computer, etc.	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Travel</b>					
Mileage (\$ .xxx/mile x 200 miles)	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Additional (please specify)</b>					
Client assistance (bus tickets, etc.)	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Programmatic Costs</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Indirect Rate (X%)</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Grant Costs</b>	\$ -	\$ -	\$ -	\$ -	\$ -

REMOVE ALL YELLOW COLORING AND NOTATIONS FROM FINALIZED BUDGET

<--Match columns are hidden (columns C, E, H, I).  
 Unhide and format if match is included on grant.

<--Use same amounts and descriptions as appear in the approved budget.

Clackamas County and the Federal government retain the right to inspect all financial records and other books, documents, papers, plans, records of shipments and payments and writings of Recipient that are pertinent to this Agreement.

**CERTIFICATION**

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).

Prepared by: \_\_\_\_\_  
 Authorized SUBRECIPIENT Official: \_\_\_\_\_  
 Date: \_\_\_\_\_

**Department Review**

Program Manager Name: \_\_\_\_\_

Department: \_\_\_\_\_

Signature: \_\_\_\_\_

Department: forward to Grant Accountant for review and processing

Grant Accountant Initial/Date:

--

### Exhibit C: Request for Advance Payment Instructions

<i>General Instructions</i>	Subrecipient requests for advanced monthly payment requires approval from Grant Coordinator and County. Subrecipient will submit an advance payment request and an Account Reconciliation or Budget to Actuals Report of true and verifiable expenses that match the expenses included in their budget monthly reporting. Department should complete header and Budget line items and amounts as part of agreement at issuance. Subrecipient should generate an accompanying invoice generated from the entity's accounting system of record. Invoices must be submitted in addition to and accompanying this completed Account Reconciliation or Budget to Actuals form.
<i>Submission Dates</i>	Advance Payment Request for Advancement of expenses occurring in a County fiscal year (July 1 - June 30) must be received no later than the following July 15th. In addition, for quarterly reporting purposes, invoices must be received no later than the 15th of the month following the quarter ended June, September, December and March or as otherwise specified in the funding Agreement.
<i>Allowability and Documentation</i>	Payments will be based on <u>budget actual costs</u> authorized by this Agreement. Supporting documentation must be retained by subrecipient for expenses for which advanced payment is claimed and for all match expenses reported, if applicable. Documentation required includes personal service cost detail, services and supplies cost detail, copies of paid contract and equipment invoices and receipts for lodging, airfare, car rental and conference registration, and any beneficiary payment supporting information. This documentation should be readily available upon request or for review during a site visit.
<i>Send to</i>	Advance Payment Request and this completed form should be sent to Clackamas County, <b>Attn: Public Health Fiscal , 2051 S. Kaen Rd., Ste. 367, Oregon City, OR 97045 or by email <a href="mailto:PublicHealthFiscalAP@clackamas.us">PublicHealthFiscalAP@clackamas.us</a>.</b> Advance Payment Request are subject to the review and approval of the Program Officer and Compliance Specialist. Payment is contingent on compliance with all terms and conditions of this Agreement, including reporting requirements.

**EXHIBIT D**  
**General Administrative Requirements and Terms & Conditions**

**16. Status**

a) COUNTY has determined:

Entity is a non-federal subrecipient     Entity is a contractor     Not applicable

**17. Administrative Requirements.** SUBRECIPIENT agrees to its status as a subrecipient, and accepts among its duties and responsibilities the following:

- a) **Financial Management.** SUBRECIPIENT shall use adequate internal controls and maintain necessary sources documentation for all costs incurred.
- b) **Revenue Accounting.** Grant revenue and expenses generated under this Agreement should be recorded in compliance with generally accepted accounting principles and/or governmental accounting standards. This requires that the revenues are treated as unearned income or “deferred” until the compliance requirements and objectives of the grant have been met. Revenue may be recognized throughout the life cycle of the grant as the funds are “earned.” All grant revenues not fully earned and expended in compliance with the requirements and objectives at the end of the period of performance must be returned to COUNTY within 15 days.
- c) **Change in Key Personnel.** SUBRECIPIENT is required to notify COUNTY, in writing, whenever there is a change in SUBRECIPIENT key administrative or programmatic personnel and the reason for the change. Key personnel include but are not limited to: Executive Director, Finance Director, Program Manager, Bookkeeper, or any equivalent to these positions within the organization.
- d) **Cost Principles.** SUBRECIPIENT shall only use grant funds for eligible costs set forth in Exhibit A. Costs disallowed by the funding agency listed in the body of this Agreement shall be the liability of the SUBRECIPIENT.
- e) **Period of Availability.** SUBRECIPIENT may charge to the award only allowable costs resulting from obligations incurred during the funding period.
- f) **Match.** Matching funds are not required for this Agreement.
- g) **Budget.** SUBRECIPIENT use of funds may not exceed the amounts specified in the Exhibit B: Subrecipient Program Budget. At no time may budget modification change the scope of the original grant application or Agreement.
- h) **Indirect Cost Recovery.** SUBRECIPIENT will receive an indirect cost rate of 10% of direct project costs. 10% is applicable to, administrative and accounting personnel costs, storage rent, equipment, utilities, cell phones, etc. that cannot be directly charged to the grant.
- i) **Payment.** SUBRECIPIENT must submit a final request for payment no later than fifteen (15) days after the end date of this Agreement. Routine requests for Advancement of funds should be submitted as specified in Exhibit C: Account Reconciliation.
- j) **Performance Reporting.** SUBRECIPIENT shall comply with reporting requirements as specified in Exhibit A: SUBRECIPIENT Scope of Work & Performance Reporting.

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- k) **Financial Reporting.** Upon execution of this Agreement, SUBRECIPIENT will submit monthly advance payment request with an Account Reconciliation or Budget to Actuals Report of true and verifiable expenses that match the expenses included in their budget monthly reporting.
- l) **Closeout.** COUNTY will closeout this award when COUNTY determines that all applicable administrative actions and all required work have been completed by SUBRECIPIENT. SUBRECIPIENT must liquidate all obligations incurred under this award and must submit all financial, performance, and other reports as required by the terms and conditions of OHA LPHA Agreement #180003 and/or COUNTY, no later than 90 calendar days after the end date of this Agreement.
- m) **Monitoring.** SUBRECIPIENT agrees to allow COUNTY access to conduct site visits and inspections of financial records for the purpose of monitoring. COUNTY, OHA, and their duly authorized representatives shall have access to such financial records and other books, documents, papers, plans, records of shipments and payments and writings of SUBRECIPIENT that are pertinent to this Agreement, whether in paper, electronic or other form, to perform examinations and audits and make excerpts and transcripts. Monitoring may be performed onsite or offsite, at COUNTY's discretion. Depending on the outcomes of the financial monitoring processes, this Agreement shall either a) continue pursuant to the original terms, b) continue pursuant to the original terms and any additional conditions or remediation deemed appropriate by COUNTY, or c) be de-obligated and terminated.
- n) **Record Retention.** SUBRECIPIENT will retain and keep accessible all such financial records, books, documents, papers, plans, records of shipments and payments and writings for a minimum of six (6) years from the end of program date, or such longer period as may be required by OHA or applicable state law, following final payment and termination of this Agreement, or until the conclusion of any audit, controversy or litigation arising out of or related to this Agreement, whichever date is later.
- o) **Certification of Compliance with Grant Documents.** SUBRECIPIENT acknowledges that it has read the award conditions and certifications for OHA LPHA #180003, that it understands and accepts those conditions and certifications, and that it agrees to comply with all the obligations and be bound by any limitations applicable to the Clackamas County, as COUNTY, under those grant documents.

## 18. Default

- a) **Subrecipient's Default.** SUBRECIPIENT will be in default under this Agreement upon the occurrence of the following:
  - a. SUBRECIPIENT fails to use the grant funds for eligible purposes described in Exhibit A;
  - b. Any representation, warranty or statement made by SUBRECIPIENT in this Agreement or in any documents or reports relied upon by COUNTY to measure the Program, the expenditure of grant funds or the performance by SUBRECIPIENT is untrue in any material respect when made;
  - c. After thirty (30) days' written notice with an opportunity to cure, SUBRECIPIENT fails to comply with any term or condition set forth in this Agreement;
  - d. A petition, proceeding, or case is filed by or against SUBRECIPIENT under federal or state bankruptcy, insolvency, receivership, or other law.
- b) **County's Default.** COUNTY will be in default under this Agreement if, after thirty (30) days' notice and opportunity to cure, COUNTY fails to perform a material obligation under this Agreement provided, however, that failure to disburse grant funds due to lack of appropriation shall not constitute a default of COUNTY.

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### 19. Remedies

- a) **County's Remedies.** In the event of SUBRECIPIENT's default, COUNTY may, at its option, pursue any or all remedies available to it under this Agreement, at law, or in equity including, but not limited to: (1) withholding SUBRECIPIENT grant funds until compliance is met; (2) reclaiming grant funds in the case of omissions or misrepresentations in financial or programmatic reporting; (3) requiring repayment of any funds used by SUBRECIPIENT in violation of this Agreement; (4) termination of this Agreement; (5) declaring SUBRECIPIENT ineligible for receipt of future awards from COUNTY; (6) initiation of an action or proceeding for damages, declaratory, or injunctive relief.
- b) **Subrecipient's Remedies:** In the event COUNTY is in default, and whether or not SUBRECIPIENT elects to terminate this Agreement, SUBRECIPIENT's sole remedy for COUNTY's default, subject to the limits of applicable law or in this Agreement, is reimbursement for eligible costs incurred in accordance with this Agreement, less any claims COUNTY may have against SUBRECIPIENT. In no event will COUNTY be liable to SUBRECIPIENT for expenses related to termination of this Agreement or for any indirect, incidental, consequential or special damages.

### 20. Compliance with Applicable Laws

- a) **Public Policy.** SUBRECIPIENT expressly agrees to comply with all public policy requirements, laws, regulations, and executive orders issued by the Federal government, to the extent they are applicable to the Agreement: (i) Titles VI and VII of the Civil Rights Act of 1964, as amended; (ii) Sections 503 and 504 of the Rehabilitation Act of 1973, as amended; (iii) the Americans with Disabilities Act of 1990, as amended; (iv) Executive Order 11246, "Equal Employment Opportunity" as amended; (v) the Health Insurance Portability and Accountability Act of 1996; (vi) the Age Discrimination in Employment Act of 1967, as amended, and the Age Discrimination Act of 1975, as amended; (vii) the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended; (viii) all regulations and administrative rules established pursuant to the foregoing laws; and (ix) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.
- b) **Compliance With Applicable Law.** SUBRECIPIENT shall comply with all applicable federal, state and local laws, regulations, executive orders, and ordinances, as such may be amended from time to time.
- c) **Conflict Resolution.** If potential, actual or perceived conflicts are discovered among federal, state and local statutes, regulations, administrative rules, executive orders, ordinances or other laws applicable to this Agreement, SUBRECIPIENT may in writing request COUNTY to resolve the conflict. SUBRECIPIENT shall specify if the conflict(s) create a problem for the Program. COUNTY shall undertake reasonable efforts to resolve the issue but is not required to deliver any specific answer or product. SUBRECIPIENT shall remain obligated to independently comply with all applicable laws and no action by COUNTY shall be deemed a guarantee, waiver, or indemnity for non-compliance with any law.
- d) **Confidential Information.** SUBRECIPIENT acknowledges that it and its employees and agents may, in the course of performing their obligations under this Agreement, be exposed to or acquire information that the County desires or is required to maintain as confidential, including information that is protected under applicable law, including Personal Information (as "Personal Information" is defined in ORS 646A.602(11)). SUBRECIPIENT agrees to hold any and all information that it is required by law or that the County marks as "Confidential" to be held in confidence ("Confidential Information"), using at least the same degree of care that SUBRECIPIENT uses in maintaining the confidentiality of its own confidential information, and will use the Confidential Information for no purpose other than in the performance of this Agreement, or as may be permitted under applicable law, and to advise each of its employees and agents of their



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obligations to keep Confidential Information confidential. SUBRECIPIENT further agrees to take reasonable measures to safeguard such information and to follow all applicable federal, state and local regulations regarding privacy and obligations of confidentiality.

- e) **Mileage reimbursement.** If mileage reimbursement is authorized in SUBRECIPIENT budget or by the written approval of COUNTY, mileage must be paid at the rate established by SUBRECIPIENT's written policies covering all organizational mileage reimbursement or at the IRS mileage rate at the time of travel, whichever is lowest.

**21. Dispute Resolution.**

The parties will attempt in good faith to informally resolve any dispute arising out of this Agreement. This may be done at any management level, including at a level higher than persons directly responsible for administration of the Agreement. In addition, the parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation. Each party will bear its own costs incurred for any mediation or non-binding arbitration.

**EXHIBIT E**  
**SUBRECIPIENT INSURANCE REQUIREMENTS**

During the term of this Agreement, SUBRECIPIENT shall maintain in force, at its own expense, each insurance noted below:

**1) Commercial General Liability.**

Required by COUNTY     NOT Required by COUNTY

SUBRECIPIENT shall obtain, at SUBRECIPIENT's expense, and keep in effect during the term of this Agreement, Commercial General Liability Insurance covering bodily injury and property damage on an "occurrence" form in the amount of not less than \$1,000,000 per occurrence/ \$2,000,000 general aggregate for the protection of COUNTY, its officers, elected officials, and employees. This coverage shall include Contractual Liability insurance for the indemnity provided under this Agreement. This policy(s) shall be primary insurance as respects to the COUNTY. Any insurance or self-insurance maintained by COUNTY shall be excess and shall not contribute to it.

**2) Commercial Automobile Liability.**

Required by COUNTY     NOT Required by COUNTY

SUBRECIPIENT shall obtain at SUBRECIPIENT expense and keep in effect during the term of this Agreement, Commercial Automobile Liability coverage including coverage for all owned, hired, and non-owned vehicles. The combined single limit per occurrence shall not be less than \$1,000,000, or SUBRECIPIENT shall obtain at SUBRECIPIENT expense, and keep in effect during the term of the agreement, Personal auto coverage. The limits shall be no less than \$250,000/occurrence, \$500,000/aggregate, and \$100,000 property damage.

**3) Professional Liability.**

Required by COUNTY     NOT Required by COUNTY

SUBRECIPIENT shall obtain and furnish COUNTY evidence of Professional Liability Insurance in the amount of not less than \$1,000,000 combined single limit per occurrence/\$2,000,000 general annual aggregate for malpractice or errors and omissions coverage for the protection of COUNTY, its officers, elected officials and employees against liability for damages because of personal injury, bodily injury, death, or damage to property, including loss of use thereof, and damages because of negligent acts, errors and omissions in any way related to this Agreement. COUNTY, at its option, may require a complete copy of the above policy.

**4) Abuse and Molestation Clause.**

Required by COUNTY     NOT Required by COUNTY

As part of the Commercial General Liability policy, SUBRECIPIENT shall obtain Abuse and Molestation coverage in a form and with coverage satisfactory to COUNTY covering damages arising out of actual or threatened physical abuse, mental injury, sexual molestation, negligent hiring, employment, supervision, investigation, reporting to proper authorities, and retention of any person for whom SUBRECIPIENT is responsible including but not limited to SUBRECIPIENT and SUBRECIPIENT's employees and volunteers. Policy endorsement's definition of an insured shall include SUBRECIPIENT, and SUBRECIPIENT's employees and volunteer. Coverage shall be written

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on an occurrence basis in an amount of not less than \$1,000,000 per occurrence. Any annual aggregate limit shall not be less than \$3,000,000.

- 5) **Additional Insured Provisions.** All required insurance, other than Professional Liability, Workers' Compensation, and Personal Automobile Liability and Pollution Liability Insurance, shall include "Clackamas County, its agents, elected officials, officers, and employees" as an additional insured.
- 6) **Notice of Cancellation.** There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 60 days written notice to COUNTY. Any failure to comply with this provision will not affect the insurance coverage provided to COUNTY. The 60 days' notice of cancellation provision shall be physically endorsed on to the policy.
- 7) **Insurance Carrier Rating.** Coverage provided by SUBRECIPIENT must be underwritten by an insurance company deemed acceptable by COUNTY. Insurance coverage shall be provided by companies admitted to do business in Oregon or, in the alternative, rated A- or better by Best's Insurance Rating. COUNTY reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.
- 8) **Certificates of Insurance.** As evidence of the insurance coverage required by this Agreement, SUBRECIPIENT shall furnish a Certificate of Insurance to COUNTY. COUNTY and its, elected officials, employees and officers must be named as an additional insured on the Certificate of Insurance. No Agreement shall be in effect until the required certificates have been received, approved, and accepted by COUNTY. A renewal certificate will be sent to COUNTY 10 days prior to coverage expiration.
- 9) **Primary Coverage Clarification.** SUBRECIPIENT coverage will be primary in the event of a loss and will not seek contribution from any insurance or self-insurance maintained by, or provided to, the additional insureds listed above.
- 10) **Cross-Liability Clause.** A cross-liability clause or separation of insured's condition will be included in all general liability, professional liability, and errors and omissions policies required by the Agreement.
- 11) **Waiver of Subrogation.** SUBRECIPIENT agrees to waive their rights of subrogation arising from the work performed under this Agreement.

EXHIBIT F

FUNDING-SPECIFIC PROGRAM REQUIREMENTS

1. **Tobacco Sales Requirement.** Grantee agrees to end the sale of all tobacco products for the 18 month period covering August 15, 2024 – February 15, 2026
2. **Reimbursement Requirement.** Grantee understands that reimbursement requests made during the period in which they are phasing out their tobacco inventory will only be considered if:
  - a. Grantee removes all tobacco advertising and promotional materials from the premises, and
  - b. Grantee offers tobacco cessation materials provided by CCPH at the point of sale
3. **Technical Assistance Requirement.** Grantee agrees to a meeting with [LivelihoodNW](#) to discuss their proposal and explore technical and business development assistance offered by the organization.
4. **Product Disposal Requirement.** Grantee agrees to follow all local, state, and federal regulations around the disposal of hazardous waste related to this project.  
<https://www.oregonmetro.gov/tools-living/garbage-and-recycling/garbage-recycling-hazardous-waste-disposal-portland>.
- Product Sales Requirement.** Grantee understands that funding cannot support the sale of the following products or products containing the following ingredients:
  - a. Tobacco or nicotine (including synthetic nicotine)
  - b. Pre-packaged foods intended for deep-frying (i.e. chicken wings, French fries, mozzarella sticks, egg rolls)
  - c. Processed meats (e.g., hot dogs, bacon, deli meat, sausage) snacks (e.g., chips, candy, snack bars) and beverages with added sugar and/or low- and no-calorie sweeteners
  - d. Products containing trans fat
  - e. Herbs, medicines and supplements (including kratom)
  - f. Alcohol
  - g. Betelnut
  - h. Cannabis or any product containing THC or CBD as well as drugs deemed illegal by Federal authorities
5. **Nutrition Requirement.** Grantee understands that, if using funding to support the sale of meals, entrees and/or sides, the following nutrition standards must be followed.
  - a) Sodium
    1. All meals offered contain  $\leq 800$  mg sodium.
    2. All entrees offered contain  $\leq 600$  mg sodium.
    3. All side items offered contain  $\leq 230$  mg sodium.
  - b) Trans Fats
    1. All foods do not include partially hydrogenated oils.
  - c) Definitions
    1. *Entrée* – An item that includes only the following three categories of main dish food items:
      - A combination food of meat / meat alternative and whole grain-rich food, or
      - A combination food of vegetable or fruit and meat / meat alternative, or
      - A meat / meat alternative alone, with exception of yogurt, low-fat or reduced fat cheese, nuts, seeds, and nut or seed butters, and meat snacks (i.e., dried beef jerky and meat sticks).
    2. *Meal* – An item consisting of an entrée and two side items.
    3. *Side* – Single serving of a food or beverage that may accompany a meal or entrée or eaten on its own.

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6. **SNAP Participation Requirement.** Grantee agrees to maintain authorization from the U.S. Department of Agriculture Food Nutrition Services to participate in the Supplemental Nutrition Food Assistance Program (SNAP). Grantee agrees to abide by all SNAP program conditions.

EXHIBIT G

NOTICE OF FUNDING OPPORTUNITY

**Clackamas County Healthy Retail Grant - Notice of Funding Opportunity**

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**PURPOSE**

Clackamas County Public Health Division (CCPHD) Tobacco Prevention and Education Program (TPEP) is seeking applications from independently owned Clackamas County convenience stores to reduce the impact of tobacco on public health. Up to \$20,000 is available to help one retailer refocus their business model to one that supports a healthy community.

**IMPACT OF TOBACCO USE**

Tobacco companies spend over \$100 million a year in Oregon marketing their products through advertisements and incentives at retail outlets like gas stations and convenience stores. The result of this investment is clear: commercial tobacco use is the leading cause of preventable death and disease in the state. It kills more people than the next six leading causes of preventable death combined. It's estimated that over 3,000 people annually are diagnosed with a tobacco-related serious illness in Clackamas County, and more than 650 of them die from these illnesses. The county's economy is also impacted by these losses, as it sees \$232.5 million in reduced productivity due to premature deaths each year.

**THE "HEALTHY RETAIL" MODEL**

"Healthy Retail" projects, which help small retailers become healthier places to shop, have successfully launched across the country. CCPHD TPEP's project supports one independent retailer to shift their business model to end their tobacco and nicotine sales\*. This includes finding other sources of revenue, such as introducing a new healthier product category or expanding a current one. Proposals for this might include:

- Working with local farmers and distributors to stock fresh fruits, vegetables, and meats.
- Stocking more healthy grocery products, such as eggs, canned beans, rice and whole grain items, and frozen items like fish, meat, and vegetables.
- Offering freshly prepared foods and meals, such as tamales, daal or varenyky.
- Partnering with local producers and makers to offer goods and products on consignment, like salsas, fresh roasted coffee, and pickled vegetables.
- Hosting a neighborhood farm stand.
- Other strategies that support a healthy retail business model.

\*Please note: References to tobacco and/or tobacco products in this Notice of Funding Opportunity include any product that contains tobacco and/or nicotine, including synthetic nicotine.

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### AWARD INFORMATION

Funding Source	CCPHD TPEP will dedicate a portion of the tobacco tax revenue, allocated by the Oregon Healthy Authority, to one convenience store retailer agreeing to support community health by ending their tobacco sales and transitioning their business model to better support community health.
Issuance	A total of up to \$20,000 is available for a convenience store retailer who proposes to end their tobacco sales. Retailer must be in Clackamas County to be eligible.  CCPHD will award one retailer. Clackamas County Public Health will administer the grant.
Grant period of performance	November 1, 2024 – June 30, 2025
Maximum grant award amount	\$20,000
Grant Contact	Marc Czornij, Clackamas County Public Health: mczornij@clackamas.us

### SUPPORTING THE RETAILER

In addition to grant funding, TPEP will offer the following support to the retailer:

- **Ongoing technical assistance** to support the development and implementation of a new business plan. Assistance will be made available by [LivelihoodNW](#), a local non-profit aiding businesses in all industries and at all stages of operation.
- **Assistance in getting authorized to accept [Supplemental Nutrition Assistance Program](#) (SNAP) and [Women, Infants and Children](#) (WIC) benefits from customers** (if applicable).
- **Connections to local producers and distributors** to learn about opportunities to introduce new product categories and items.
- **Professionally designed promotional materials** to showcase new products and engage customers.
- **Earned media and community outreach** to highlight the new business model and commitment to community health as well as draw new customers.

### BENEFITS TO THE RETAILER

A Clackamas County retailer may benefit from healthy retail in several ways, including:

- **Taking advantage of products with higher mark-ups than tobacco.** It's common for the mark-up on cigarettes to be low—sometimes only 12%. Conversely, products like fresh produce, for example, are routinely marked up at 100%, meaning retailers can enjoy larger profits.
- **Reaching new customers and expanding their customer base.** A report funded by the National Association of Convenience Stores (NACS) highlighted that convenience stores "...must look beyond simply meeting the needs of their traditional customers and embrace the growing [group] who are demanding more and more better-for-you-items"<sup>iii</sup>. A shift towards more grocery items and fresh fruits and vegetables could make the retailer eligible for [Double-Up Food Bucks](#), which rewards SNAP customers with free produce and reimburses the retailer. Likewise, meeting WIC requirements would open doors to an additional group of customers.
- **Saving money on tobacco licenses.** A business must hold a Tobacco Retail License (TRL) from the Oregon Department of Revenue, costing nearly \$1,000 per year, to sell any amount or

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type of tobacco. Businesses with a TRL are subject to annual inspections, the failures of which could mean significant penalties. In 2023, over 20% of tobacco retailers in Oregon were fined for failing their inspections because they sold products to underage people<sup>iv</sup>.

- **Staying ahead of trending tobacco regulations.** If a retailer ends their tobacco sales, they will be ahead of trending tobacco regulations. To protect public health, local, state, and federal agencies have increasingly invested in policies regulating the sale of flavored tobacco products like vapes and menthol cigarettes. Healthy retail provides an opportunity for an alternative revenue stream that supports community health.
- **Earning free store publicity.** The retailer funded for this opportunity will be the first in Oregon to partner with a local public health authority to transition their business model through healthy retail. CCPHD will work with the retailer to promote their new business model and commitment to community health through local media channels.
- **Differentiating their business from others in the community.** Clackamas County has over 300 tobacco retailers. Most of them are convenience stores, which tend to offer the same products—alcohol, sugary beverages, tobacco, and snacks. Shifting their business model gives a retailer the chance to stand out from others in their community and across Clackamas County.
- **Reducing crime associated with tobacco sales.** Because of their small size, light weight, and resale value on the illegal market, tobacco products are a high-risk product category. Even a small selection of tobacco could be worth thousands of dollars. If a retailer experiences tobacco related theft, they could lose valuable product and be responsible for costly repairs in the event of a break-in. Moving away from tobacco sales means avoiding these risks.
- **Supporting a healthy community.** Research has shown that greater availability of tobacco products in a community makes it easier to start using these products and harder to stop<sup>v</sup>. Increasing fresh, nutritious food access, for example, while decreasing access to products like tobacco helps support a strong, healthy community.

## BACKGROUND

CCPHD conducted outreach and engagement around this project in early 2023. CCPHD explored the potential for a convenience store to offer fresh fruits and vegetables as one example of how a retailer could shift their business model. Staff gathered perspectives from community stakeholders, learned about the convenience store retail environment, and surveyed customers on their shopping habits. The findings provided insight into whether customers were interested in purchasing produce at their local convenience store.

A summary of findings from the customer surveys can be found in Appendix D.

## ELIGIBILITY

Applicants must meet the following requirements:

1. Own an independently operated convenience store located in Clackamas County that is not part of a corporate franchise or owned by a corporate entity (such as 7-11, Plaid Pantry, etc.) and has authority to determine which products the business carries.
2. Hold a valid, current Oregon Tobacco Retail License.
3. Actively sell tobacco products as of the application deadline for this notice of funding opportunity.
4. Must hold the following insurance and limits depending on the scope of the proposed project: Commercial General Liability, Commercial Automobile Liability, Professional Liability, Workers' Compensation, Abuse and Molestation Liability and Cyber Risk Limits. Additional information listed in [Appendix E](#).



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### HOW & WHEN FUNDS CAN BE SPENT

Funds are available once an agreement has been signed between CCPHD and the awarded retailer (see Requirements for conditions).

Clackamas County Public Health Division, the grant administrator, pays grantees monthly. To receive payment, grantees submit invoices of expenses incurred in the previous month, including copies of receipts for approved budget items. CCPHD will further explain the reimbursement process to the grantee once awarded.

The grantee may request up to 20% of the total award “up front”, meaning they will receive payment once their agreement is fully executed and they’ve been established as a vendor. The grantee will still need to submit an invoice by the end of the award period detailing how these funds were spent.

### REQUIREMENTS

Grantee will need to sign an agreement including, but not limited to, the following requirements:

7. **Tobacco Sales Requirement.** Grantee agrees to end the sale of all tobacco products for a period of no less than 18 months. This period will start at a mutually agreed date after the retailer has stopped selling tobacco.
8. **Reimbursement Requirement.** Grantee understands that reimbursement requests made during the period in which they are phasing out their tobacco inventory will only be considered if:
  - a. Grantee removes all tobacco advertising and promotional materials from the premises, and
  - b. Grantee offers tobacco cessation materials provided by CCPH at the point of sale
9. **Technical Assistance Requirement.** Grantee agrees to a meeting with [LivelihoodNW](#) to discuss their proposal and explore technical and business development assistance offered by the organization.
10. **Product Disposal Requirement.** Grantee agrees to follow all local, state, and federal regulations around the disposal of hazardous waste related to this project.
11. **Product Sales Requirement.** Grantee understands that funding cannot support the sale of the following products or products containing the following ingredients:
  - a. Tobacco or nicotine (including synthetic nicotine)
  - b. Deep-fried foods
  - c. Processed meats (e.g., hot dogs, bacon, deli meat, sausage) snacks (e.g., chips, candy, snack bars) and beverages with added sugar and/or low- and no-calorie sweeteners
  - d. Products containing trans fat
  - e. Herbs, medicines and supplements (including kratom)
  - f. Alcohol
  - g. Betelnut
  - h. Cannabis or any product containing THC or CBD as well as drugs deemed illegal by Federal authorities
12. **Nutrition Requirement.** Grantee understands that, if using funding to support the sale of meals, entrees and/or sides, nutrition standards limiting sodium content must be followed.
13. **SNAP Participation Requirement.** Grantee agrees to maintain authorization from the U.S. Department of Agriculture Food Nutrition Services to participate in the Supplemental Nutrition Food Assistance Program (SNAP). Grantee agrees to abide by all SNAP program conditions.

### IMPORTANT DATES

Grant application opens	5/23/2024
<a href="#">Information Session via Zoom (click to register)</a>	6/3/2024

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Initial questions and answers document posted to <a href="https://www.clackamas.us/procurement-process">https://www.clackamas.us/procurement-process</a>	6/10/2024
<b>Grant applications due</b>	<b>7/22/2024</b>
Grantee award notification	<b>8/8/2024</b>
Award period begins	Executed agreement date
Grant period begins	Executed agreement date
Project check-ins	Monthly as arranged
Award period ends	6/30/2025
Final invoices and report due	6/30/2025

### APPLICATION AND SUBMISSION INFORMATION

Application materials may be found on the Procurement Process, Contracts and Grants page. Each application requires:

- An application form
- A project budget
  - See [Appendix C](#) for more information on preparing your budget.

Materials may be submitted by emailing [TobaccoFreeClackCo@clackamas.us](mailto:TobaccoFreeClackCo@clackamas.us). Materials must be received by 5:00 PM on 7/8/2024 7/22/2024.

Questions about this notice of funding opportunity may be directed to [TobaccoFreeClackCo@clackamas.us](mailto:TobaccoFreeClackCo@clackamas.us).

### REPORTING REQUIREMENTS

Check-ins with the grantee will be arranged monthly throughout the award period to discuss project development. A final report covering project accomplishments, challenges, learnings, recommendations and goals for the remainder of the [tobacco sales requirement](#) will be due at the end of the award period.

### EVALUATION OF GRANT APPLICATIONS

A review panel comprised of Clackamas County staff and community partners will review and score applications based on the following criteria:

Scoring Criteria	Points Available
Overall purpose and project, including how proposal will better support the health of the community.	20
Quality of timeline and budget and feasibility of proposed activities in shifting the retailer's business model away from tobacco sales.	15
Retailer is located in a high-priority area, including within 500 feet of schools, parks/playgrounds and/or other tobacco retailers; at least ½ mile from a full-service grocery store.	20
Retailer illustrates community connection and investment, including not having been fined for selling tobacco products to underage youth.	10

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<b>TOTAL</b>	65
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CCPHD is dedicated to expanding our health equity work through closer collaboration and partnership with the diverse communities within Clackamas County. To distribute funds equitably and diversify our partnerships, applicants may also receive additional points based on the following criteria:

<b>Additional Points Scoring Criteria</b>	<b>Points Available</b>
Retailer identifies as Black, Indigenous or a person of color, as LGBTQIA2+ (lesbian, gay, bisexual, transgender and/or gender expansive, queer and/or questioning, intersex, asexual, and/or two-spirit), and/or has a disability.	5
Retailer is in a census tract where at least 20% of the population identifies as Black, Indigenous or a person of color.	5
Retailer's proposal features a strategy for increasing access to culturally specific food, groceries, and/or services.	5
<b>TOTAL</b>	15

### NON-DISCRIMINATION DISCLOSURE

Per the Civil Rights Act of 1964, no person shall, on the basis of race, color, or national origin, be excluded from participation, be denied the benefits of, or be subjected to discrimination under any County program, service or activity.

### APPENDICIES

[Appendix A: Definitions](#)

[Appendix B: Additional Resources](#)

[Appendix C: Budget Example and Instructions](#)

[Appendix D: Outreach and Engagement Findings](#)

[Appendix E: Insurance Requirements](#)

[Appendix F: Citations](#)

#### Appendix A: Definitions

- **Entrée** – An item that includes only the following three categories of main dish food items:
  - A combination food of meat / meat alternative and whole grain-rich food, or
  - A combination food of vegetable or fruit and meat / meat alternative, or
  - A meat / meat alternative alone, with exception of yogurt, low-fat or reduced fat cheese, nuts, seeds, and nut or seed butters, and meat snacks (i.e., dried beef jerky and meat sticks).
- **Meal** – An item consisting of an entrée and two side items.
- **Side** – Single serving of a food or beverage that may accompany a meal or entrée or eaten on its own.
- **Tobacco** – Any product that contains tobacco and/or nicotine, including synthetic nicotine. (This definition includes the phrase “tobacco products” and other similar references.) Does not include traditional tobacco used by some American Indian/Alaska Native and Tribal Nations in Oregon.

#### Appendix B: Additional Resources

The resources below are optional to review. We hope they can be helpful in drafting your application.

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### Local Data

- [Blueprint for a Healthy Clackamas County](#). Hub for local community data, best practices, and information on a broad range of topics affecting the health of Clackamas County communities.
- [Clackamas County Tobacco Fact Sheet](#). Updated data on tobacco use and its impacts in Clackamas County.

### Healthy Retail

- [Healthy Retail in Clackamas County](#). The County's homepage for its healthy retail work.
- [Clackamas County's Healthy Retail Pilot Project: Outreach and Engagement Findings](#). Detailed information on the County's healthy retail project and its findings from outreach and engagement to business owners, customers, and community stakeholders.
- [Sell Healthy! Guide](#). A guide for retailers on how to sell, stock and promote healthy options.
- [Astoria, Oregon's Peter Pan Market](#). Short video about a local convenience store that shifted their business model away from tobacco sales.
- [Food Service Guidelines for Federal Facilities](#). Helpful resource in planning for prepared food service that promotes healthful meals and menus.
- [Health & Wellness Trends and Strategies for the Convenience Store Sector](#). A report commissioned by the National Association of Convenience Stores (NACS).
- [How to Open a Restaurant](#). Information provided by Clackamas County Public Health.
- [Rose's Equipment and Supply](#). Local supplier of restaurant and grocery equipment.
- [Caruso Produce](#). Family-owned produce distributor based in Canby, OR.

### Additional Resources

- [Proper Management of E-Cigarette Waste for Oregon Retailers](#). Under Oregon law, both nicotine and lithium-ion batteries, which are found in e-cigarettes and vape devices, must be disposed of as hazardous waste.
- [Business Hazardous Waste Disposal Signup](#). Information provided by Oregon Metro.

### Appendix C: Budget Example and Instructions

To the best of your ability, please complete the budget template with your proposed budget. If selected, assistance will be provided to help you create a detailed budget. Note the budget cannot exceed the maximum award amount (\$20,000).

Include the following details in your budget if they apply:

#### Programmatic Costs Category

List your programmatic costs in the appropriate category (i.e., administrative costs, supplies, equipment, contracted labor, etc.). Please be as specific as possible with each line item. You may add or remove categories and line items as appropriate.

*Example:*

- *Equipment*
  - *Produce cooler = \$8,200*
- *Contracted labor*
  - *Electrician, fixed contract = \$2,000*

#### Indirect Rate

List your indirect rate in the appropriate row. This rate usually covers administrative and/or overhead costs, like rent, fees and utilities. The indirect rate cost should be calculated based on your total programmatic cost. The default set in the template is 10% but may be adjusted by following the included instructions. The rate may not exceed 10%.

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Insurance Requirements

Up to 5% of your total Programmatic Costs may be reserved to help you meet the insurance requirements for this grant. The default set in the template is 5% but may be adjusted by following the included instructions.

See the budget example on the following page.

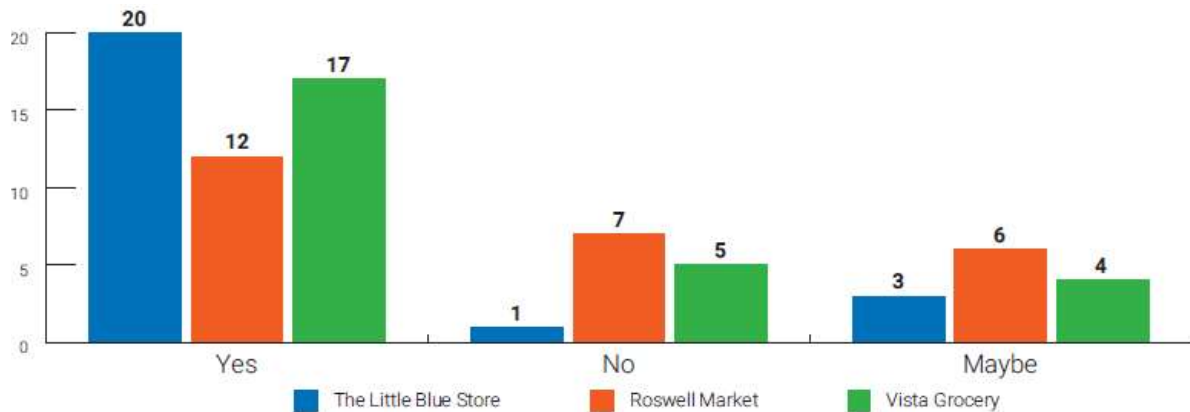
<b>SUBRECIPIENT BUDGET</b>	
<i>See Instructions tabs at bottom of document</i>	
<b>Organization:</b>	<i>The Market</i>
<b>Program Contact:</b>	<i>M. Kautz</i>
<b>Agreement Term:</b>	<i>8/19/2024 - 6/30/2025</i>
Programmatic Costs	Funds Allocated
<b>Equipment</b>	
Produce cooler	\$ 8,200.00
Produce display stands	\$ 200.00
Sidewalk display stand	\$ 79.50
<b>Contracted Labor</b>	
General contractor, fixed contract	\$ 5,215.00
Electrician, fixed contract	\$ 2,000.00
<b>Supplies</b>	
4 weeks of fresh produce	\$ 1,479.41
<b>Section Total</b>	<b>\$ 17,173.91</b>
<b>Additional Costs (please specify)</b>	
Printing fees - promotional materials	\$ 250.00
<b>Section Total</b>	<b>\$ 250.00</b>
<b>Indirect Rate (10%)</b>	<b>\$ 1,717.39</b>
<b>Insurance Requirement Reserve (5%)</b>	<b>\$ 858.70</b>
<b>Total Grant Costs</b>	<b>\$ 20,000.00</b>

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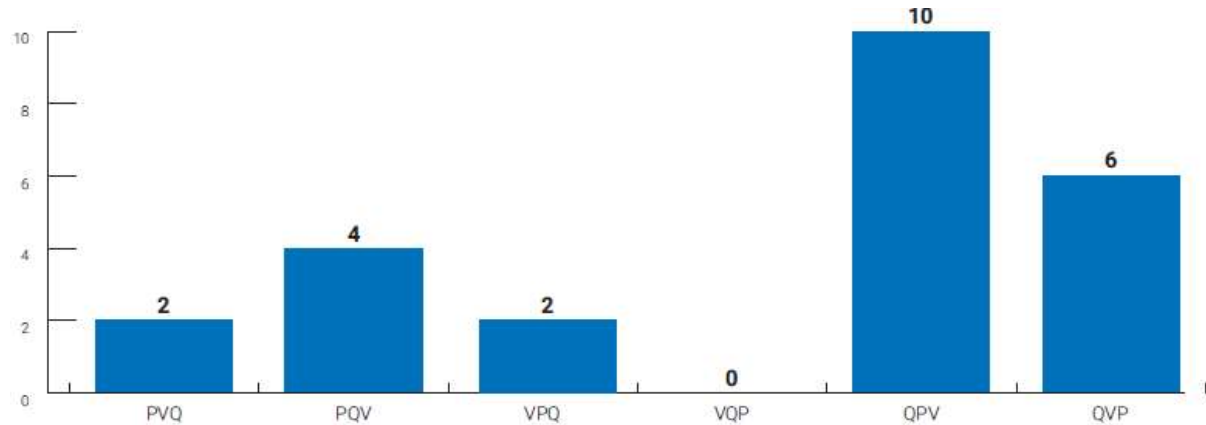
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**Appendix D: Outreach and Engagement Findings - Customer Surveys** Most customers stated they would buy fresh produce if it were affordable and available. The Little Blue Store had the greatest support, with 20 of the 25 participants responding “yes”. Support was also strong at Vista Grocery (17 out of 25) and Roswell Market (12 out of 25). Many customers who responded negatively or with uncertainty stated they were not confident that a convenience store could offer high quality produce. Each store was independently owned and did not offer fueling services.



Customer responses to the question would you buy fresh fruits and vegetables at this store if they were available and affordable?

Participants at Roswell Market were asked to prioritize the significance of certain traits in their decision-making process when purchasing produce. Most customers ranked quality (Q) as their top priority, followed by price (P), then variety (V), forming the order preference QPV. Sixteen respondents specifically emphasized quality as their primary concern when buying produce.



How customers at Roswell Market ranked produce qualities in importance from greatest to least. P stands for price, V for variety, and Q for quality.

These results indicate significant customer interest in buying fresh fruits and vegetables at their local convenience store. A retailer will likely see the most customer uptake of this product category if they can ensure product quality meets customer expectations. For detailed information from this phase of the project, please see the report available here.

## Appendix E: Insurance Requirements

CCPHD will administer these grants. CCPHD typically asks for the following insurance depending on the scope of the proposed project:

- **Commercial General Liability.** If awarded, the grantee will need to maintain Commercial General Liability Insurance throughout the award period. The Commercial General Liability Insurance will cover bodily injury, death, and property damage on an “occurrence” form in the

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amount of not less than \$1,000,000 per occurrence/\$2,000,000 general aggregate for the protection of County, its officers, commissioners, and employees.

- **Commercial Automobile Liability.** If awarded, the grantee may need to maintain Commercial Automobile Liability coverage throughout the award period. This may be required if a company and/or personal vehicle is used for work purposes. Commercial Automobile Liability coverage will include coverage for all owned, hired, and non-owned vehicles. The combined single limit per occurrence shall not be less than \$1,000,000.
- **Professional Liability.** If awarded, the grantee may need to maintain Professional Liability Insurance throughout the award period. Professional Liability Insurance must cover any damages caused by an error, omission, or neglect act related to the services provided under the agreement, with limits not less than \$1,000,000 per occurrence for the protection of the County, its officers, commissioners and employees against liability for damages because of personal injury, bodily injury, death, or damage to property, including loss of use thereof, and damages because of negligent acts, errors and omissions in any way related to the agreement.
- **Workers' Compensation.** If awarded, the grantee will need to maintain Workers' Compensation Insurance throughout the award period. Workers' Compensation Insurance requires all employers that employ subject workers, as defined in ORS 656.027, to provide workers' compensation coverage for those workers. Employers' liability insurance coverage limit shall not be less than \$500,000.
- **Abuse and Molestation Liability.** If awarded, the grantee may need to maintain Abuse and Molestation Insurance throughout the award period. This may be required if the grantee works with and/or hosts activities for youth under 18 years. Policy endorsement's definition of an insured shall include the Contractor, and the Contractor's employees and volunteers. Coverage shall be written on an occurrence basis in an amount of not less than \$1,000,000 per occurrence. Any annual aggregate limit shall not be less than \$3,000,000.
- **Cyber Risk Limits.** If awarded, the grantee may need to maintain Cyber Risk Insurance throughout the award period. This may be required if the grantee will be entering personal information into a database. Limits are \$1,000,000 per claim/annual aggregate.

Specific insurance requirements will be discussed during the contracting process, if awarded.

### Appendix F: Citations

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<sup>i</sup> Oregon Health Authority Public Health Division, Health Promotion and Chronic Disease Prevention Section. Oregon tobacco facts. Available at <https://www.oregon.gov/oha/ph/preventionwellness/tobaccoprevention/pages/oregon-tobacco-facts.aspx>.

<sup>ii</sup> Oregon Health Authority Public Health Division, Health Promotion and Chronic Disease Prevention Section. Oregon county tobacco facts. Available at <https://app.powerbigov.us/>.

<sup>iii</sup> Hudson Institute. Health and wellness trends and strategies for the convenience store sector. 2015. Available at <https://www.convenience.org/Topics/Healthy-Options/Health-Trends-and-Strategies-for-C-Stores/Grow-BFY-Sales.pdf>.

<sup>iv</sup> Oregon Health Authority. Oregon Tobacco Inspections Report. 2024. Available at <https://www.oregon.gov/oha/PH/PREVENTIONWELLNESS/TOBACCOPREVENTION/SiteAssets/Pages/data-and-reports/2023%20Tobacco%20Inspection%20Results.pdf>.

<sup>v</sup> Counter Tobacco. Licensing, zoning, and retailer density. Accessed 1/10/24. Available at <https://countertobacco.org/policy/licensing-and-zoning/>.