

April 24, 2025

BCC Agenda Date/Item: _____

Board of County Commissioners
Clackamas County

Approval of a Grant Agreement for a direct allocation of Community Development Block Grant Disaster Recovery Funds to increase affordable housing inventory in areas impacted by the 2020 Labor Day Wildfires. Grant Value is \$7,747,747 for 4 years. Funding is through the US Department of Housing and Urban Development. No County General Funds are involved.

Previous Board Action/Review	No previous board action.		
Performance Clackamas	This item ensures safe, healthy and secure communities and increases affordable housing in Clackamas County.		
Counsel Review	Sarah Foreman	Procurement Review	N/A
Contact Person	Mark Sirois	Contact Phone	503-351-7240

EXECUTIVE SUMMARY: The Housing & Community Development Division (HCDD) of the Health, Housing and Human Services Department requests approval of a grant agreement and Lifecycle Form for the direct allocation award of \$7,747,747.00 in Community Development Block Grant Disaster Recovery funds (CDBG-DR funds) from the State of Oregon to assist areas impacted by the 2020 Wildfires.

The State of Oregon recently notified Clackamas County of the availability of an allocation of CDBG-DR pass-through funds from the US Department of Housing and Urban Development and provided a draft agreement with the notification of award that is being reviewed by staff and county counsel. This funding was awarded by direct allocation, and no application was necessary.

This CDBG-DR funding can be used for local projects that create additional housing inventory in areas tied to impacts of the 2020 Wildfires. It can be used for the following types of activities:

- Acquisition of real property
- Clearance, rehabilitation, reconstruction, and construction of buildings and remediation
- Removal of architectural barriers
- Relocation payments and assistance for displaced individuals and families
- Provision of assistance (loans and grants) for activities carried out by public or private nonprofit entities
- Provision of direct assistance to facilitate and expand homeownership among persons of low and moderate income
- Lead-based paint hazard evaluation and reduction

For Filing Use Only

This funding allocation required no application; therefore, the internal grant lifecycle form is also included for board approval and the grant agreement from the State of Oregon.

RECOMMENDATION: Staff respectfully request that the Board of County Commissioners approve the grant agreement and lifecycle form for CDBG-DR funds and authorize Chair Roberts to sign on behalf of Clackamas County.

Respectfully submitted,

Mary Rumbaugh

Mary Rumbaugh
Director of Health Housing and Human Services

ATTACHMENTS: Grant Agreement and Lifecycle Form

Financial Assistance Application Lifecycle Form

Use this form to track your potential award from conception to submission.

Sections of this form are designed to be completed in collaboration between department program and fiscal staff.

If renewal or direct appropriation, complete sections I, II, IV & V only. Section III is not required.

If Disaster or Emergency Relief Funding, EOC will need to approve prior to being sent to the BCC

****CONCEPTION****

Section I: Funding Opportunity Information - To Be Completed by Requester

Award type: ☒ Direct Appropriation (no application)
☐ Subrecipient Award ☐ Direct Award

Award Renewal? ☐ Yes ☒ No

Lead Fund # and Department:	240-H3S-HCDD
Name of Funding Opportunity:	Community Development Block Grant Funds for Disaster Recovery (CDBG-DR)

Funding Source: ☐ Federal – Direct ☒ Federal – Pass through ☐ State ☐ Local

Requestor Information: (Name of staff initiating form)	Mark Sirois
Requestor Contact Information:	marksir@clackamas.us 503.351.7240
Department Fiscal Representative:	Darren Chilton
Program Name & Prior Project #: (please specify)	CDBG - DR - 2020 Wildfire Disaster Recovery Funds

Brief Description of Project:

Pursuant to Public Law (P.L.)117-43 and the Federal Register Notice dated February 3, 2022 at 83 FR 6364, the U.S. Department of Housing and Urban Development (“HUD”) awarded \$422,286,000 in Community Development Block Grant Disaster Recovery (“CDBG-DR”) funds. Clackamas County has been allocated \$7,747,747.00 of this funding as an eligible area, along with 7 other Oregon counties impacted by the 2020 Labor Day Fires. The Housing and Community Development Division of H3S as the Community Development Agency will select projects for this funding in alignment with their approved action plan and funding criteria. Funding use must clearly relate to the recovery needs resulting from the 2020 Labor Day Fires and directly or indirectly support new housing and/or replacement of damaged housing.

Name of Funding Agency: State of Oregon - Housing and Community Services Department

Notification of Funding Opportunity Web Address: <https://www.govinfo.gov/app/details/FR-2022-02-03/2022-02209>

OR

Application Packet Attached: ☐ Yes ☒ No

Completed By: Mark Sirois

Date: 2/19/25

**** NOW READY FOR SUBMISSION TO DEPARTMENT FISCAL REPRESENTATIVE ****

Section II: Funding Opportunity Information - To Be Completed by Department Fiscal Rep

☐ Competitive Application ☐ Non-Competing Application ☒ Other

Assistance Listing Number (ALN), if applicable:	14.228	Funding Agency Award Notification Date:	2/18/2025
Announcement Date:	2/3/2022 - Federal Registry	Announcement/Opportunity #:	N/A
Grant Category/Title	CDBG Disaster Recovery	Funding Amount Requested:	\$7,747,747.00
Allows Indirect/Rate:	N/A	Match Requirement:	none
Application Deadline:	N/A	Total Project Cost:	unknown
Award Start Date:	2/1/2025	Other Deadlines and Description:	
Award End Date	10/31/2029		
Completed By:	Mark Sirois	Program Income Requirements:	Spend on qualifying projects
Pre-Application Meeting Schedule:			

Additional funding sources available to fund this program? Please describe:
HCDD will select projects to be awarded these funds.

How much General Fund will be used to cover costs in this program, including indirect expenses?
0

How much Fund Balance will be used to cover costs in this program, including indirect expenses?
0

In the next section, limit answers to space available.

Section III: Funding Opportunity Information - To Be Completed at Pre-Application Meeting by Dept Program and Fiscal Staff

Mission/Purpose:

1. How does the grant/funding opportunity support the Department and/or Division's Mission/Purpose/Goals?

This would allow for the creation or rehabilitation of additional affordable housing and mitigate the impacts to the community from the 2020 wildfires on housing stock.

2. Who, if any, are the community partners who might be better suited to perform this work?

N/A - funding passed through to the Community Development Agency which is under the Housing and Community Development Division of the Health Housing and Human Services Department.

3. What are the objectives of this funding opportunity? How will we meet these objectives?

To create new affordable housing for rental or homeownership through acquisition, demolition, rehabilitation, new construction including site-built or prefabricated units and the option to allow for accessory dwelling units, homebuyer subsidy and infrastructure projects necessary for affordable housing development that address the unmet housing needs of the community within the most impacted by the 2020 Wildfires. Priority #1: Households with incomes at or below 80% AMI who have been directly impacted by the disaster. Priority #2: Households with incomes between 80% and 120% AMI who have been directly impacted by the disaster. Priority #3: Households with incomes at or below 80% AMI who have not been directly affected by the disaster.

4. Does the grant/financial assistance fund an existing program? If yes, which program? If no, what is the purpose of the program?

NO. This is a one-time grant to fund affordable housing projects to mitigate housing impacts from the 2020 Wildfires

Organizational Capacity:

1. Does the organization have adequate and qualified staff? If no, can staff be hired within the grant/financial assistance funding opportunity timeframe?

Yes. The team administers other CDBG funds and evaluates projects similarly.

2. Are there partnership efforts required? If yes, who are we partnering with and what are their roles and responsibilities?

We would partner with affordable housing partners to carry out the work. Our role would be in selecting the projects to be awarded, oversight of the work and grant management.

3. If this is a pilot project, what is the plan for sun setting the project and/or staff if it does not continue (e.g. making staff positions temporary or limited duration, etc.)?

This is a one time funding opportunity for disaster relief but is much aligned with other Community Development Block Grant (CDBG) grants managed by the division.

4. If funded, would this grant/financial assistance create a new program, does the department intend for the program to continue after initial funding is exhausted? If yes, how will the department ensure funding (e.g. request new funding during the budget process, supplanted by a different program, etc.)?

This would just expand funding available for investment in affordable housing development projects in the county specifically focused on mitigating impacts from the 2020 wildfires.

Collaboration

1. List County departments that will collaborate on this award, if any.

Health Housing and Human Services and Disaster Management

Reporting Requirements

1. What are the program reporting requirements for this grant/funding opportunity?

Draft agreement attached outlines projected reporting expectations which are similar to other CDBG grants

2. How will performance be evaluated? Are we using existing data sources? If yes, what are they and where are they housed? If not, is it feasible to develop a data source within the grant timeframe?

Similar to other CDBG funding source activities

3. What are the fiscal reporting requirements for this funding?

Reports provided to HUD

Fiscal

1. Are there other revenue sources required, available, or will be used to fund the program? Have they already been secured? Please list all funding sources and amounts.

No

2. For applications with a match requirement, how much is required (in dollars) and what type of funding will be used to meet it (CGF, In-kind, local grant, etc.)?

No match requirement

3. Does this grant/financial assistance cover indirect costs? If yes, is there a rate cap? If no, can additional funds be obtained to support indirect expenses and what are those sources?

Yes

Other information necessary to understand this award, if any.

Program Approval:

Mark Sirois

2-19-2025

Mark Sirois

Name (Typed/Printed)

Date

Signature

**** NOW READY FOR PROGRAM MANAGER SUBMISSION TO DIVISION DIRECTOR****

****ATTACH ANY CERTIFICATIONS REQUIRED BY THE FUNDING AGENCY. COUNTY FINANCE OR ADMIN WILL SIGN****

Section IV: Approvals

DIVISION DIRECTOR (or designee, if applicable)

Shannon Callahan

2/19/25

Shannon Callahan

Name (Typed/Printed)

Date

Signature

DEPARTMENT DIRECTOR (or designee, if applicable)

Denise Swanson

Feb 26, 2025

Denise Swanson
Denise Swanson (Feb 26, 2025 08:22 PST)

Name (Typed/Printed)

Date

Signature

FINANCE ADMINISTRATION

Elizabeth Comfort

Feb 27, 2025

Elizabeth Comfort

Name (Typed/Printed)

Date

Signature

EOC COMMAND APPROVAL (WHEN NEEDED FOR DISASTER OR EMERGENCY RELIEF APPLICATIONS ONLY)

Name (Typed/Printed)

Date

Signature

Section V: Board of County Commissioners/County Administration

(Required for all grant applications. If your grant is awarded, all grant awards must be approved by the Board on their weekly consent agenda regardless of amount per local budget law 294.338.)

For applications \$150,000 and below:

COUNTY ADMINISTRATOR	Approved: <input type="checkbox"/>	Denied: <input type="checkbox"/>
Name (Typed/Printed)	Date	Signature

For applications up to and including \$150,000 email form to BCC staff at CA-Financialteam@clackamas.us for Gary Schmidt's approval.

For applications \$150,000.01 and above, email form with Staff Report to the Clerk to the Board at ClerktotheBoard@clackamas.us to be brought to the consent agenda.

BCC Agenda item #: Date:

OR

Policy Session Date:

County Administration Attestation

County Administration: re-route to department at
and

Grants Manager at financegrants@clackamas.us
when fully approved.

Department: keep original with your grant file.

STATE OF OREGON GRANT AGREEMENT

AFFORDABLE HOUSING DEVELOPMENT

Grant No. 9034

This Grant Agreement (“Grant”) is between the State of Oregon acting by and through its **Housing and Community Services Department** (“Agency”) and Clackamas County acting through its **Housing and Community Development Department** (“Subrecipient”), each a “Party” and, together, the “Parties”.

SECTION 1: AUTHORITY

Pursuant to Public Law (P.L.)117-43 and the Federal Register Notice dated February 3, 2022 at 83 FR 6364, the U.S. Department of Housing and Urban Development (“HUD”) awarded \$422,286,000 in Community Development Block Grant Disaster Recovery (“CDBG-DR”) funds to Agency (the “Agency Award”) for activities authorized under Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) and described in Agency’s Action Plan that was approved by HUD (the “Action Plan”). Agency is authorized under ORS 458.315 through ORS 458.320 to enter into a grant agreement and provide funding for the purposes described in this Grant.

SECTION 2: PURPOSE

The Subrecipient is responsible for administering an Affordable Housing Development (AHD) program in compliance with applicable federal, state, and local laws and regulations. The Subrecipient’s program must also be compliant with AHD program guidelines and the requirements of this Agreement.

SECTION 3: EFFECTIVE DATE AND DURATION

When all Parties have executed this Grant, and all necessary approvals have been obtained (“Executed Date”), this Grant is effective and has a Grant funding start date as of **February 1, 2025** (“Effective Date”), and, unless extended or terminated earlier in accordance with its terms, will expire on **October 31, 2028**.

SECTION 4: GRANT ADMINISTRATORS

4.1 Agency’s Grant Administrator is:

Nathan Oetting
725 Summer St NE, Suite B

Salem OR, 97301
Phone: 503-881-5423
Nathan.oetting@hcs.oregon.gov

4.2 Subrecipient 's Grant Administrator is:

Shannon Callahan, Housing and Community Department Director
2051 Kaen Road
Oregon City, OR 97045
Phone: 503.650.5697
scallahan@clackamas.us

A Party may designate a new Grant Administrator by written notice to the other Party.

SECTION 5: PROJECT ACTIVITIES

Subrecipient must perform the project activities set forth in Exhibit A (the "Project"), attached hereto and incorporated in this Grant by this reference, for the period beginning on the Effective Date and ending on the expiration date set forth in Section 3 (the "Performance Period").

SECTION 6: GRANT FUNDS

In accordance with the terms and conditions of this Grant, Agency will provide Subrecipient up to **SEVEN MILLION SEVEN HUNDRED FORTY SEVEN THOUSAND SEVEN HUNDRED FORTY SEVEN DOLLARS (\$7,747,747.00)** ("Grant Funds") for the Project. Agency will pay the Grant Funds from monies available through its Community Development Block Grant Disaster Recovery ("CDBG-DR") funds ("Funding Source").

SECTION 7: DISBURSEMENT GENERALLY

7.1 Disbursement.

- 7.1.1** Subject to the availability of sufficient moneys in and from the Funding Source based on Agency's reasonable projections of moneys accruing to the Funding Source, Agency will disburse Grant Funds to Subrecipient for the allowable Project activities described in Exhibit A that are undertaken during the Performance Period. Disbursement shall be subject to the terms, conditions, and requirements as provided in Exhibit A, Section 16.
- 7.1.2** Subrecipient must provide to Agency any information or detail regarding the expenditure of Grant Funds required under Exhibit A prior to disbursement or as Agency may request.
- 7.1.3** Agency will only disburse Grant Funds for completed and approved Project activities. If Agency determines that Subrecipient is responsible for deficiencies in completed Project activities,

Agency will prepare and deliver to Subrecipient a written description of the deficiencies within 15 days of a request for disbursement. Subrecipient must correct any identified deficiencies at no additional cost to Agency within 15 days of receiving notice of such deficiency. Subrecipient may resubmit a request for disbursement that includes evidence satisfactory to Agency showing that the deficiencies were corrected.

7.2 Conditions Precedent to Disbursement. Agency's obligation to disburse Grant Funds to Subrecipient under this Grant is subject to satisfaction of each of the following conditions precedent:

7.2.1 Agency has received sufficient funding, appropriations, expenditure limitation, allotments, or other necessary expenditure authorizations to allow Agency, in the exercise of its reasonable administrative discretion, to make the disbursement from the Funding Source;

7.2.2 No default as described in Section 14 has occurred; and

7.2.3 Subrecipient's representations and warranties set forth in Section 8 are true and correct on the date of disbursement(s) with the same effect as though made on the date of disbursement.

7.3 No Duplicate Payment. Subrecipient may use other funds in addition to the Grant Funds to complete the Project; provided, however, Subrecipient may not credit or pay any Grant Funds for Project costs that are paid for with other funds and would result in duplicate funding.

7.4 Suspension of Funding. Agency may by written notice to Subrecipient, temporarily cease funding and require Subrecipient to stop all, or any part, of the Project dependent upon Grant Funds, if Agency has or reasonably projects that it will have insufficient funds from the Funding Source to disburse the full amount of the Grant Funds. Upon receipt of the notice, Subrecipient must immediately cease all Project activities dependent on Grant Funds, or if that is impossible, must take all necessary steps to minimize the Project activities allocable to Grant Funds.

If Agency subsequently projects that it will have sufficient funds, Agency will notify Subrecipient that it may resume activities. If sufficient funds do not become available, Subrecipient and Agency will work together to amend this Grant to revise the amount of Grant Funds and Project activities to reflect the available funds. If sufficient funding does not become available and an amendment is not agreed to, Agency will either (i) cancel or modify its cessation order by a supplemental written notice or (ii) terminate this Grant as permitted by either the termination at Agency's discretion or for cause provisions of this Grant.

SECTION 8: REPRESENTATIONS AND WARRANTIES

8.1 Organization/ Authority. Subrecipient represents and warrants to Agency that:

8.1.1 Subrecipient is a County; duly organized and validly existing;

8.1.2 Subrecipient has all necessary rights, powers, and authority under any organizational documents and under Oregon Law to (i) execute this Grant, (ii) incur and perform its obligations under this

Grant, and (iii) receive financing, including the Grant Funds, for the Project;

8.1.3 This Grant has been duly executed by Subrecipient and when executed by Agency, constitutes a legal, valid, and binding obligation of Subrecipient enforceable in accordance with its terms;

8.1.4 If applicable and necessary, the execution and delivery of this Grant by Subrecipient has been authorized by an ordinance, order, or resolution of its governing body, or voter approval, that was adopted in accordance with applicable law and requirements for filing public notices and holding public meetings; and

8.1.5 There is no proceeding pending or threatened against Subrecipient before any court or governmental authority that if adversely determined would materially adversely affect the Project or the ability of Subrecipient to carry out the Project.

8.2 False Claims Act. Subrecipient acknowledges the Oregon False Claims Act, ORS 180.750 to 180.785, applies to any “claim” (as defined by ORS 180.750) made by (or caused by) Subrecipient that pertains to this Grant or to the Project. Subrecipient certifies that no claim described in the previous sentence is or will be a “false claim” (as defined by ORS 180.750) or an act prohibited by ORS 180.755. Subrecipient further acknowledges in addition to the remedies under Section 15, if it makes (or causes to be made) a false claim or performs (or causes to be performed) an act prohibited under the Oregon False Claims Act, the Oregon Attorney General may enforce the liabilities and penalties provided by the Oregon False Claims Act against Subrecipient.

8.3 No limitation. The representations and warranties set forth in this section are in addition to, and not in lieu of, any other representations or warranties provided by Subrecipient.

SECTION 9: OWNERSHIP

9.1 Intellectual Property Definitions. As used in this section and elsewhere in this Grant, the following terms have the meanings set forth below:

“Third Party Intellectual Property” means any intellectual property owned by parties other than Subrecipient or Agency.

“Work Product” means every invention, discovery, work of authorship, trade secret, or other tangible or intangible item Subrecipient is required to create or deliver as part of the Project, and all intellectual property rights therein.

9.2 Subrecipient Ownership. Subrecipient must deliver copies of all Work Product as directed in Exhibit A. Subrecipient retains ownership of all Work Product, and grants Agency an irrevocable, non-exclusive, perpetual, royalty-free license to use, to reproduce, to prepare derivative works based upon, to distribute, to perform, and to display the Work Product, to authorize others to do the same on Agency’s behalf, and to sublicense the Work Product to other entities without restriction.

9.3 Third Party Ownership. If the Work Product created by Subrecipient under this Grant is a derivative

work based on Third Party Intellectual Property, or is a compilation that includes Third Party Intellectual Property, Subrecipient must secure an irrevocable, non-exclusive, perpetual, royalty-free license allowing Agency and other entities the same rights listed above for the pre-existing element of the Third Party Intellectual Property employed in the Work Product. If state or federal law requires that Agency or Subrecipient grant to the United States a license to any intellectual property in the Work Product, or if state or federal law requires Agency or the United States to own the intellectual property in the Work Product, then Subrecipient must execute such further documents and instruments as Agency may reasonably request in order to make any such grant or to assign ownership in such intellectual property to the United States or Agency.

- 9.4 Real Property.** If the Project includes the acquisition, construction, remodel, or repair of real property or improvements to real property, Subrecipient may not sell, transfer, encumber, lease, or otherwise dispose of such real property or improvements to real property paid for with Grant Funds for a period of six (6) years after the Effective Date of this Grant without the prior written consent of Agency.

SECTION 10: CONFIDENTIAL INFORMATION

- 10.1 Confidential Information Definition.** Subrecipient acknowledges it and its employees or agents may, in the course of performing its responsibilities, be exposed to or acquire information that: (i) is confidential to Agency or Project participants or (ii) the disclosure of which is restricted under federal or state law, including without limitation: (a) personal information, as that term is used in ORS 646A.602(12) (“Personal Information”), and (b) social security numbers (items (i) and (ii) separately and collectively “Confidential Information”).
- 10.2 Nondisclosure.** Subrecipient agrees to hold Confidential Information as required by any applicable law and in all cases in strict confidence, using at least the same degree of care Subrecipient uses in maintaining the confidentiality of its own confidential information. Subrecipient may not copy, reproduce, sell, assign, license, market, transfer, or otherwise dispose of, give, or disclose Confidential Information to third parties, or use Confidential Information except as is allowed by law and for the Project activities and Subrecipient must advise each of its employees and agents of these restrictions. Subrecipient must assist Agency in identifying and preventing any unauthorized use or disclosure of Confidential Information. Subrecipient must advise Agency immediately if Subrecipient learns or has reason to believe any Confidential Information has been, or may be, used or disclosed in violation of the restrictions in this section. Subrecipient must, at its expense, cooperate with Agency in seeking injunctive or other equitable relief, in the name of Agency or Subrecipient, to stop or prevent any use or disclosure of Confidential Information. At Agency’s request, Subrecipient must return or destroy any Confidential Information. If Agency requests Subrecipient to destroy any Confidential Information, Subrecipient must provide Agency with written assurance indicating how, when, and what information was destroyed.
- 10.3 Identity Protection Law.** Subrecipient must have and maintain a formal written information security program that provides safeguards to protect Confidential Information from loss, theft, and disclosure to unauthorized persons, as required by the Oregon Consumer Information Protection Act, ORS

646A.600 through ORS 646A.628. If Subrecipient or its agents discover or are notified of a potential or actual “Breach of Security,” as defined by ORS 646A.602(1)(a), or a failure to comply with the requirements of ORS 646A.600-628, (collectively, “Breach”) with respect to Confidential Information, Subrecipient must promptly but in any event within one calendar day (i) notify Agency’s Grant Administrator of such Breach, and (ii) if the applicable Confidential Information was in the possession of Subrecipient or its agents at the time of such Breach, Subrecipient must (a) investigate and remedy the technical causes and technical effects of the Breach and (b) provide Agency with a written root cause analysis of the Breach and the specific steps Subrecipient will take to prevent the recurrence of the Breach or to ensure the potential Breach will not occur. For the avoidance of doubt, if Agency determines notice is required of any such Breach to any individual(s) or entity(ies), Agency will have sole control over the timing, content, and method of such notice, subject to Subrecipient’s obligations under applicable law.

- 10.4 Subgrants/ Contracts.** Subrecipient must require any subgrantees, contractors, or subcontractors under this Grant who are exposed to or acquire Confidential Information to treat and maintain such information in the same manner as is required of Subrecipient under subsections 10.1 and 10.2 of this section.
- 10.5 Background Check.** If requested by Agency and permitted by law, Subrecipient’s employees, agents, subgrantees, contractors, subcontractors, and volunteers that perform Project activities must agree to submit to a criminal background check prior to performance of any Project activities or receipt of Confidential Information. Background checks will be performed at Subrecipient’s expense. Based on the results of the background check, Subrecipient or Agency may refuse or limit (i) the participation of any Subrecipient employee, agent, subgrantee, contractor, subcontractor, or volunteer, in Project activities or (ii) access to Agency Personal Information or Agency or Subrecipient premises.

SECTION 11: CONTRIBUTION

- 11.1** If any third party makes any claim or brings any action, suit, or proceeding alleging a tort as now or hereafter defined in ORS 30.260 (a “Third Party Claim”) against a Party (the “Notified Party”) with respect to which the other Party (the “Other Party”) may have liability, the Notified Party must promptly notify the Other Party in writing of the Third Party Claim and deliver to the Other Party, along with the written notice, a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim that have been received by the Notified Party. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by the Other Party of the notice and copies required in this section and a meaningful opportunity for the Other Party to participate in the investigation, defense, and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to the Other Party’s contribution obligation under this Section 11 with respect to the Third Party Claim.
- 11.2** With respect to a Third Party Claim for which Agency is jointly liable with Subrecipient (or would be if joined in the Third Party Claim), Agency must contribute to the amount of expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred and paid or payable by Subrecipient in such proportion as is appropriate to reflect the relative fault

of Agency on the one hand and of Subrecipient on the other hand in connection with the events that resulted in such expenses, judgments, fines, or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Agency on the one hand and of Subrecipient on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information, and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines, or settlement amounts. Agency's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if the State of Oregon had sole liability in the proceeding.

- 11.3** With respect to a Third Party Claim for which Subrecipient is jointly liable with Agency (or would be if joined in the Third Party Claim), Subrecipient must contribute to the amount of expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred and paid or payable by Agency in such proportion as is appropriate to reflect the relative fault of Subrecipient on the one hand and of Agency on the other hand in connection with the events that resulted in such expenses, judgments, fines, or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Subrecipient on the one hand and of Agency on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information, and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines, or settlement amounts. Subrecipient's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if it had sole liability in the proceeding.

SECTION 12: INSURANCE

- 12.1 Subrecipient Insurance.** Subject to Section 12.2, Subrecipient must obtain and maintain insurance coverage in the types and amounts indicated in Exhibit B.
- 12.2 Public Body Insurance.** If Subrecipient is a “public body” as defined in ORS 30.260, Subrecipient agrees to insure any obligations that may arise for Subrecipient under this Grant, including any indemnity obligations, through (i) the purchase of insurance indicated in Exhibit B, (ii) the use of self-insurance or assessments paid under ORS 30.282 that are substantially similar to the types and amounts of insurance coverage indicated on Exhibit B, or (iii) a combination of any or all of the foregoing.
- 12.3 Real Property.** If the Project includes the construction, remodel, or repair of real property or improvements to real property, Subrecipient must insure the real property and improvements against liability and risk of direct physical loss, damage, or destruction at least to the extent that similar insurance is customarily carried by entities constructing, operating, and maintaining similar property or facilities.
- 12.4 First Tier Subgrantee/ Contractor Insurance.** Subrecipient must require any subgrantees or any of its first-tier contractors to maintain insurance in the types and amounts that are commensurate with the type of work being performed by the subgrantees, or the first-tier contractors of Subrecipient or its subgrantees, and that are consistent with applicable industry standards.

SECTION 13: GOVERNING LAW, JURISDICTION

This Grant is governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit, or proceeding (collectively “Claim”) between Agency or any other agency or department of the State of Oregon, or both, and Subrecipient that arises from or relates to this Grant must be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it will be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. SUBRECIPIENT, BY EXECUTION OF THIS GRANT, HEREBY CONSENTS TO THE PERSONAL JURISDICTION OF SUCH COURTS. In no event may this section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States, or otherwise, to or from any Claim or from the jurisdiction of any court.

SECTION 14: DEFAULT

14.1 Subrecipient. Subrecipient will be in default under this Grant upon the occurrence of any of the following events:

- 14.1.1** Subrecipient fails to use the Grant Funds for the intended purpose described in Exhibit A or otherwise fails to perform, observe, or discharge any of its covenants, agreements, or obligations under this Grant;
- 14.1.2** Any representation, warranty, or statement made by Subrecipient in this Grant or in any documents or reports relied upon by Agency to measure the Project, the expenditure of Grant Funds, or the performance by Subrecipient is untrue in any material respect when made; or
- 14.1.3** A petition, proceeding, or case is filed by or against Subrecipient under any federal or state bankruptcy, insolvency, receivership, or other law relating to reorganization, liquidation, dissolution, winding-up, or adjustment of debts; in the case of a petition filed against Subrecipient, Subrecipient acquiesces to such petition or such petition is not dismissed within 20 calendar days after such filing, or such dismissal is not final or is subject to appeal; or Subrecipient becomes insolvent or admits its inability to pay its debts as they become due; or Subrecipient makes an assignment for the benefit of its creditors.

14.2 Agency. Agency will be in default under this Grant if, after 15 days’ written notice specifying the nature of the default, Agency fails to perform, observe, or discharge any of its covenants, agreements, or obligations under this Grant; provided, however, Agency will not be in default if Agency fails to disburse Grant Funds because there is insufficient expenditure authority or insufficient funding.

SECTION 15: REMEDIES

15.1 Agency Remedies. In the event Subrecipient is in default under Section 14.1, Agency may, at its

option, pursue any or all of the remedies available to it under this Grant and at law or in equity, including, but not limited to: (i) termination of this Grant under Section 17.2, (ii) reducing or withholding payment for deficient or late Project activities or materials, (iii) requiring Subrecipient to complete, at Subrecipient's expense, additional activities necessary to satisfy its obligations or meet performance standards under this Grant, (iv) initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief, (v) exercise of its right of recovery of overpayments under Section 16 of this Grant or setoff, or both, or (vi) declaring Subrecipient ineligible for the receipt of future awards from Agency. These remedies are cumulative to the extent the remedies are not inconsistent, and Agency may pursue any remedy or remedies singly, collectively, successively, or in any order whatsoever.

- 15.2 Subrecipient Remedies.** In the event Agency is in default under Section 14.2 and whether or not Subrecipient elects to terminate this Grant, Subrecipient's sole monetary remedy will be, within any limits set forth in this Grant, reimbursement for Project activities completed and accepted by Agency and authorized expenses incurred, less any claims Agency has against Subrecipient. In no event will Agency be liable to Subrecipient for any expenses related to termination of this Grant or for anticipated profits.

SECTION 16: WITHHOLDING FUNDS, RECOVERY

Agency may withhold Grant Funds due to Subrecipient, and Subrecipient must return to Agency within 30 days of Agency's written demand:

- 16.1** Any Grant Funds paid to Subrecipient under this Grant, or payments made under any other agreement between Agency and Subrecipient, that exceed the amount to which Subrecipient is entitled;
- 16.2** Any Grant Funds received by Subrecipient that remain unexpended for payment of the Project at the end of the Performance Period;
- 16.3** Any Grant Funds Agency determines were spent on purposes other than allowable Project activities; or
- 16.4** Any Grant Funds Subrecipient received as payment for deficient activities or materials.

SECTION 17: TERMINATION

- 17.1 Mutual.** This Grant may be terminated at any time by mutual written consent of the Parties.
- 17.2 By Agency.** Agency may terminate this Grant as follows:
- 17.2.1** At Agency's discretion, upon 30 days' advance written notice to Subrecipient;
- 17.2.2** Immediately upon written notice to Subrecipient, if Agency fails to receive funding, or appropriations, limitations, or other expenditure authority at levels sufficient in Agency's

reasonable administrative discretion, to perform its obligations under this Grant;

- 17.2.3** Immediately upon written notice to Subrecipient, if federal or state laws, rules, regulations, or guidelines are modified or interpreted in such a way that Agency's performance under this Grant is prohibited, or Agency is prohibited from funding the Grant from the Funding Source; or
- 17.2.4** Immediately upon written notice to Subrecipient, if Subrecipient is in default under this Grant and such default remains uncured 15 days after written notice thereof to Subrecipient.
- 17.3** **By Subrecipient.** Subrecipient may terminate this Grant immediately upon written notice to Agency if Agency is in default under this Grant and such default remains uncured 15 days after written notice thereof to Agency.
- 17.4** **Cease Activities.** Upon receiving a notice of termination of this Grant, Subrecipient must immediately cease all activities under this Grant, unless Agency expressly directs otherwise in such notice. Upon termination, Subrecipient must deliver to Agency all materials or other property that are or would be required to be provided to Agency under this Grant or that are needed to complete the Project activities that would have been performed by Subrecipient.

SECTION 18: MISCELLANEOUS

- 18.1** **Conflict of Interest.** Subrecipient by signature to this Grant declares and certifies the award of this Grant and the Project activities to be funded by this Grant, create no potential or actual conflict of interest, as defined by ORS Chapter 244, for a director, officer, or employee of Subrecipient.
- 18.2** **Nonappropriation.** Agency's obligation to pay any amounts and otherwise perform its duties under this Grant is conditioned upon Agency receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow Agency, in the exercise of its reasonable administrative discretion, to meet its obligations under this Grant. Nothing in this Grant may be construed as permitting any violation of Article XI, Section 7 of the Oregon Constitution or any other law limiting the activities, liabilities, or monetary obligations of Agency.
- 18.3** **Amendments.** The terms of this Grant may not be altered, modified, supplemented, or otherwise amended, except by written agreement of the Parties.
- 18.4** **Notice.** Except as otherwise expressly provided in this Grant, any notices to be given under this Grant must be given in writing by email, personal delivery, or postage prepaid mail, to a Party's Grant Administrator at the physical address or email address set forth in this Grant, or to such other addresses as either Party may indicate pursuant to this section. Any notice so addressed and mailed becomes effective five (5) days after mailing. Any notice given by personal delivery becomes effective when actually delivered. Any notice given by email becomes effective upon the sender's receipt of confirmation generated by the recipient's email system that the notice has been received by the recipient's email system.
- 18.5** **Survival.** The provisions of this Grant which by their nature are intended to survive expiration or

termination of this Grant (including, but not limited to, remedies and record-keeping) will survive.

- 18.6 Severability.** The Parties agree if any term or provision of this Grant is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected, and the rights and obligations of the Parties will be construed and enforced as if the Grant did not contain the particular term or provision held to be invalid.
- 18.7 Counterparts.** This Grant may be executed in several counterparts, all of which when taken together constitute one agreement, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of the Grant so executed constitutes an original.
- 18.8 Compliance with Law.** In connection with their activities under this Grant, the Parties must comply with all applicable federal, state, and local laws.
- 18.9 Intended Beneficiaries.** Agency and Subrecipient are the only parties to this Grant and are the only parties entitled to enforce its terms. Nothing in this Grant provides, is intended to provide, or may be construed to provide any direct or indirect benefit or right to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of this Grant.
- 18.10 Assignment and Successors.** Subrecipient may not assign or transfer its interest in this Grant without the prior written consent of Agency and any attempt by Subrecipient to assign or transfer its interest in this Grant without such consent will be void and of no force or effect. Agency's consent to Subrecipient's assignment or transfer of its interest in this Grant will not relieve Subrecipient of any of its duties or obligations under this Grant. The provisions of this Grant will be binding upon and inure to the benefit of the Parties hereto, and their respective successors and permitted assigns.
- 18.11 Contracts and Subgrants.** Subrecipient may not, without Agency's prior written consent, enter into any contracts or subgrants for any of the Project activities required of Subrecipient under this Grant. Agency's consent to any contract or subgrant will not relieve Subrecipient of any of its duties or obligations under this Grant.
- 18.12 Time of the Essence.** Time is of the essence in Subrecipient's performance of the Project activities under this Grant.
- 18.13 Records Maintenance and Access.** Subrecipient must maintain all financial records relating to this Grant in accordance with generally accepted accounting principles. In addition, Subrecipient must maintain any other records, whether in paper, electronic, or other form, pertinent to this Grant in such a manner as to clearly document Subrecipient's performance. All financial records and other records, whether in paper, electronic, or other form, that are pertinent to this Grant, are collectively referred to as "Records." Subrecipient acknowledges and agrees Agency, the Oregon Secretary of State's Office, the federal government, and their duly authorized representatives will have access to all Records to perform examinations and audits and make excerpts and transcripts. Subrecipient must retain and keep accessible all Records for a minimum of six (6) years, or such longer period as may be required by applicable law, following termination of this Grant, or until the conclusion of any

audit, controversy, or litigation arising out of or related to this Grant, whichever date is later.

- 18.14 Fixed Assets.** Subrecipient must itself, and must cause its subgrantees to, maintain policies and procedures for the management of property and equipment that comply with all requirements of the applicable Code of Federal Regulations, 2 CFR Part 200, Subpart D, and specific requirements of the source of funds. The applicable federal regulations shall apply to all equipment purchased with Agency funding, regardless of source of funds. References in the federal regulations to a federal awarding entity shall be deemed a reference to Agency, and references to a non-federal entity shall be deemed a reference to Subrecipient.
- 18.15 Headings.** The headings in this Grant are for the purpose of reference only and do not limit or otherwise affect any of the terms hereof.
- 18.16 Grant Documents.** This Grant consists of the following exhibits, which are incorporated by this reference:
- Exhibit A (The Project)
 - Exhibit B (Insurance)
 - Exhibit C (Federal Terms and Conditions)
 - Exhibit D (Federal Award Identification)
 - Exhibit E (Online Systems)
 - Exhibit F (HUD General Provisions and Other Federal Statutes, Regulations and Requirements)
- 18.17 Merger, Waiver.** This Grant and all exhibits and attachments, if any, constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations – oral or written – not specified herein regarding this Grant. No waiver or consent under this Grant binds either Party unless in writing and signed by both Parties. Such waiver or consent, if made, is effective only in the specific instance and for the specific purpose given.

SECTION 19: SIGNATURES

EACH PARTY, BY SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES IT HAS READ THIS GRANT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS. The Parties further agree that by the exchange of this Grant electronically, each has agreed to the use of electronic means, if applicable, instead of the exchange of physical documents and manual signatures. By inserting an electronic or manual signature below, each authorized representative acknowledges that it is their signature, that each intends to execute this Grant, and that their electronic or manual signature should be given full force and effect to create a valid and legally binding agreement.

IN WITNESS WHEREOF, the Parties have executed this Grant as of the dates set forth below.

STATE OF OREGON acting by and through its Housing and Community Services Department

By: _____

Phillip Andrews, Designated Procurement Officer

Date

Grant Administrator Approval

By: _____

Nathan Oetting, Housing Navigation Operations Lead

Date

Clackamas County Housing and Community Development Department

By: _____

Authorized Signature

Date

Printed Name

Title

Approved for Legal Sufficiency in accordance with ORS 291.047

By: Approved via email by Jonathan Groux, 2/6/2025

Jonathan Groux, Senior AAG

Date

EXHIBIT A THE PROJECT

1. PROGRAM PURPOSE

As outlined in the ReOregon Public Action Plan, as amended, the AHD program allows for the Subrecipient to design and administer a program based on the needs, resources, and capacity of the county to create new affordable housing for rental or homeownership through acquisition, demolition, rehabilitation, new construction including site-built or prefabricated units and the option to allow for accessory dwelling units, homebuyer subsidy and infrastructure projects necessary for affordable housing development. These activities (collectively, “Allowable Program Activities”) are further listed in this Exhibit A, section 2, “Project Activities” and will comprise the Subrecipient’s program(s) offered for affordable housing development. Subrecipients will develop and select (a) compliant project(s), as described in this Exhibit A, section 3, “Eligible Project Types,” that address the unmet housing needs of their communities within the Most Impacted and Distressed (MID) area resulting from the impact of the 2020 Wildfires.

2. PROJECT ACTIVITIES

The Subrecipient, and its subgrantees and contractors, shall carry out programs and projects that are eligible under the Housing and Community Development Act of 1974 (HCDA) along with applicable waivers identified in the Allocation Announcement Notice and The Consolidated Notice (87 FR 6364) and other applicable waivers or alternative requirements. Activities must also be compliant with the Community Development Block Grant-Disaster Recovery (CDBG-DR) program, the State’s Public Action Plan, and the AHD Program Guidelines.

The Subrecipient may use CDBG-DR funds for the following eligible activities under the AHD Program:

- Acquisition of real property;
- Clearance rehabilitation, reconstruction, and construction of buildings and remediation activities;
- Removal of architectural barriers;
- Relocation payments and assistance for displaced individuals and families;
- Provision of assistance (loans and grants) for activities carried out by public or private nonprofit entities;
- Provision of direct assistance to facilitate and expand homeownership among persons of low and moderate income; and
- Lead-based paint hazard evaluation and reduction.

The Subrecipient shall ensure that all project activities are eligible. Projects listed as categorically ineligible at 24 CFR 570.207 may not be assisted with AHD funds. Further, activities that are ineligible according to

the CDBG-DR program, the State of Oregon Action Plan, and AHD program guidelines, or that are not otherwise listed as eligible, may not be assisted with CDBG-DR funds. The Subrecipient may not fund acquisition, rehabilitation, replacement, or reconstruction of second homes, as defined in the Action Plan; acquisition for land-banking or non-housing projects; projects or programs not in a MID; projects that do not respond to a disaster-related impact; or provide assistance to households with income that exceeds 120% Area Median Income (AMI).

Tie-Back: Each project activity must tie-back to the disaster. Any recovery activity must clearly relate to the recovery needs resulting from the 2020 Labor Day Fires and directly or indirectly support new housing and/or replacement of damaged housing. New construction or the rehabilitation of housing not damaged by the disaster is an eligible use of funds if the activity addresses a disaster-related impact and is located in a MID area. This impact can be demonstrated by the disaster's overall effect on the quality, quantity, and affordability of the housing stock and the resulting inability of that stock to meet post-disaster needs and population demands.

Priority: The Subrecipient shall cause and document the following prioritization with regard to project selection:

- **Priority #1:** Households with incomes at or below 80% AMI who have been directly impacted by the disaster.
- **Priority #2:** Households with incomes between 80% and 120% AMI who have been directly impacted by the disaster.
- **Priority #3:** Households with incomes at or below 80% AMI who have not been directly affected by the disaster.

3. ELIGIBLE PROJECT TYPES

The Subrecipient may carry out the following eligible housing development project types, under which eligible activities in this Exhibit A, section 2, "Project Activities", may be carried out.

- a. Affordable Rental Housing Development
 - New construction
 - Acquisition and rehabilitation of existing substandard housing to affordable rental
 - Conversion of non-residential or market rate properties to affordable rental
 - Accessory Dwelling Unit (ADU) development
- b. Affordable Homeownership Housing Development
 - Manufactured homes in parks or on owned land
 - Stick-built homes in a subdivision or on single lots - real property or land trust model
 - Acquisition and rehabilitation of existing substandard housing for long-term affordability
- c. Property acquisition and/or Infrastructure development for a planned affordable housing project to be completed within three (3) years
 - Property (land or building) acquired for an affordable housing project

- Infrastructure development for a planned affordable housing project

4. NATIONAL OBJECTIVE

All proposed affordable housing development projects under this program must meet a national objective to be eligible for assistance. Subrecipient projects will meet the national objective of benefiting Low- and Moderate-Income (LMI) persons at or below 80% of HUD's Area Median Income (AMI) using CDBG-DR for housing development activities (LMI-Housing). The AHD program requires that not less than 85% of funding, less planning and administration costs, benefits LMI persons.

To ensure compliance with 24 CFR 570.483(b)(3), the Subrecipient must ensure that permanent residential structures resulting from the AHD program are occupied by low- and moderate-income households. Compliance is met by meeting the "LMI Occupancy Requirements" by project type as defined in the applicable AHD program guidelines. Additionally, for rental housing, occupancy must be at affordable rents in accordance with the AHD program and as adopted and made public by the Subrecipient.

The Subrecipient project may also meet the Urgent Need (UN) national objective by assisting persons and households with incomes greater than 80% AMI; however, no direct housing assistance may benefit households greater than 120% AMI.

5. ELIGIBLE AREAS

The following is a list of the eligible disaster counties for AHD funding. Proposed AHD projects must occur in one of these listed counties to be eligible for assistance.

- Clackamas County
- Douglas County
- Jackson County
- Klamath County
- Lane County
- Lincoln County
- Linn County
- Marion County

6. LIMITATIONS PENDING ENVIRONMENTAL CLEARANCE

The Subrecipient must submit a complete project description including the federal funding amount for Agency to make an environmental level determination. Such description shall be submitted to Agency with its project information and documentation and shall be considered an *intent to apply* for federal funds. Based on the level of determination, the Subrecipient shall coordinate and prepare all necessary information to complete the applicable level of environmental review under 24 C.F.R. Part 58. Upon completion, the Subrecipient shall submit the Environmental Review Record (ERR) for its project, or slate of

projects, to Agency (the “Responsible Entity” or “RE”) for review, completion, and submission to HUD. The Subrecipient acknowledges that it has no legal claim to any amount of grant funds for any projects under this Agreement until the environmental review process is completed and approved by Agency, and HUD has issued the Authority to Use Grant Funds (AUGF). The Subrecipient acknowledges that with its *intent to apply* for federal funds, it will ensure that neither its organization nor any of their contractors will commit CDBG-DR funds on the project until Agency has given written notice of environmental clearance from Agency. In addition, until that clearance is received, neither the Subrecipient nor any participant in the development process may commit non-CDBG-DR funds if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives. Choice limiting activities may include but are not limited to construction bidding, real property acquisition, demolition, disposition, rehabilitation, repair, new construction site preparation or clearance, ground disturbance, and leasing, including a binding legal contract to commit these activities that is not conditioned on successful completion of the environmental review process.

7. CAPACITY AND RISK ASSESSMENT

The Subrecipient has prepared and submitted to Agency all required documents, audits/financial information, forms, and policies as requested by Agency and necessary for Agency to carry out a Capacity and Risk Assessment (hereinafter “Assessment”). The Assessment was carried out prior to execution of this Agreement to ensure that the Subrecipient has the capacity, systems, and experience to manage its AHD program activities.

Based on the Assessment, the Subrecipient must:

- Participate in capacity building activities as directed by the Agency;
- Complete any and all required trainings to improve organizational capacity;
- Develop, update, implement or adopt Agency policies in compliance with state and federal regulations within 45 days after this Agreement is executed; and
- Within 45 days after the Effective Date of the Agreement, submit an updated organizational chart for offices and divisions of the Subrecipient participating in the implementation and management of the CDBG-DR awarded funds that clearly demonstrate appropriate segregation of duties in compliance with 2 C.F.R Part 200.303. Additionally, the chart needs to identify specific personnel responsible for implementation of Project(s).

8. PROJECT MANAGEMENT

The Subrecipient must manage its AHD program on behalf of Agency. As an extension of Agency, the Subrecipient must follow all applicable federal, state, and local rules and requirements, and must ensure that all CDBG-DR funds are used for the public purpose specified in the authorizing statute.

To ensure that these requirements are met, the Subrecipient must designate and utilize experienced internal staff and/or procure professional services to assist in the administration and oversight of its AHD

program. The Subrecipient, or its professional services contractor, shall perform all required program management services, including but not limited to the following roles and responsibilities:

- Submit all required forms and documents as requested and directed by Agency, and as necessary for Agency to carry out an Assessment, oversight, and monitoring;
 - Develop and/or adopt all required and necessary policies and procedures;
- Utilize and follow the AHD Program Manual and CDBG-DR Subrecipient Manual as found on <https://www.oregon.gov/ohcs/disaster-recovery/Pages/ReOregon-Guidance.aspx> the Agency website and maintain a complete understanding of all applicable CDBG-DR program policies, requirements, procedures, and guidelines.
 - Identify/promote any and all necessary corrective actions; and
 - Ensure that all such requirements are met throughout Project development and implementation;
- Secure equipment, technology, and workspace required to support program management operations for each project;
- Ensure adequate staffing levels to support all project activities funded in whole or in part by CDBG-DR funds, including human resource management:
 - Utilizing internal staff and/or contracted professional services, provide a dedicated project management lead/team to efficiently and effectively carry out program projects and activities; and
 - Provide a detailed organizational chart that identifies specific personnel responsible for implementation and compliance of projects;
- Designate a primary and secondary point of contact for communications with Agency, representatives, partners, and contractors. Points of contact should be knowledgeable of information related to Subrecipient roles, responsibilities, and matters, and may or may not be the same as the selected project lead/manager for the Subrecipient's AHD program;
- Oversee and conduct any necessary Housing Market Study, Needs Assessment, feasibility and/or rent comparability study as part of the planning process for program selection and implementation;
- Ensure that all required Citizen Participation and outreach/engagement processes are followed, including noticing, comment periods, and public hearing(s), to provide for adequate public input and involvement during planning and/or project selection process; must comply with the State of Oregon's Citizen Participation Plan;
 - Lead, coordinate, and facilitate all necessary, program-wide public presentations, meetings, and stakeholder engagements;
- If applicable, develop competitive program forms and documents, including Notices for Funding Availability (NOFA), Requests for Proposals (RFP), Requests for Applications (RFA), scoring/selection rubrics, applications, etc.;

- Carry out project review and due diligence, whether the project is awarded competitively or directly to a developer or Subrecipient;
- Coordinate documentation submission for the approved project or slate of projects to Agency in the manner Agency requires;
- Carry out appropriate level of environmental review as required by 24 CFR Part 58, including preparation and submission to Agency of a complete Environmental Review Record (ERR);
- Lead coordination and control over execution of approved Project activities to project progression throughout the various stages of design and development, including but not limited to environmental testing/assessments, permitting, entitlements and approvals, architectural plans and specifications review and approval, project procurement, project management and oversight, and project closeout;
- If developing a rental project, develop a Tenant Selection Plan;
- Monitor project status and establish necessary tools for controlling schedule, budget and scope;
- Lead and coordinate the implementation of change management, risk management and quality assurance;
- Prepare, submit, and present, if necessary/requested, all reports as required by Agency;
- Coordinate, support, and analyze performance measurement of contractors and report results in coordination with Agency or its authorized representatives;
- Track and report status of performance and adherence to project milestones of approved Project to Agency in the manner Agency requires;
- Submit all requested required project documentation through the approved and designated System of Record (see Exhibit A, section 13, “Required Use of System of Record”) and in compliance with applicable federal, state, and local record keeping requirements and adopted policies;
- Review and maintain backup documentation, including payment applications and requests for Reimbursements;
- Identify, communicate, and resolve delays or situations that affect the scope, budget, or schedule of the project;
- Develop a monitoring plan and monitor compliance with regulations, laws, safety codes, standards, policies, management of program resources, and current procedures applicable to program; and
- Project monitoring of affordability, occupancy, and rent requirements, if applicable, throughout the required and applicable project affordability period; and
- Carry out any and all necessary project/program closeout tasks.

Nothing contained herein shall limit or otherwise amend any Subrecipient obligation or requirement not listed within this section or scope. The Subrecipient is responsible for ensuring full compliance with all federal, state, and local laws and regulations, as well as any applicable AHD program requirements.

9. PROJECT BUDGET

Once the Subrecipient has identified a project, or slate of projects, a detailed budget should be submitted to Agency, along with a project description form and other required documentation. The project budget shall, at a minimum, include the following documents:

- Rents and Income Projections (Rental Projects)
- Total Development Costs
- Operating Expenses
- Financing Sources
- Sources and Uses (Gap Analysis); and
- 30-year Operating Pro-Forma

The Subrecipient must not commence work or enter into any contract for work until Agency has reviewed and approved the Subrecipient's project(s) and budget(s). The project budget(s) must be submitted with the Subrecipient's project form and package submission to Agency for approval.

10. PROJECT APPROVAL

Work must not commence until such time as Agency has approved in writing the Subrecipient's project or slate of projects. Agency will review all projects for CDBG-DR compliance and eligibility, ensuring compliance with federal requirements, the Action Plan, the AHD policy manual, and the terms of this Agreement.

At a minimum, the Subrecipient must submit for each project, or slate of projects, the following documents:

- Project Description Form;
- Project selection methodology and criteria, including applicable scoring sheets;
- Project budget(s), as described in Exhibit A, section 9, "Project Budget", and amended Project Budget (if needed);
- Project schedule, inclusive of milestones as described in Exhibit A, section 11, "Milestones";
- National Objective Documentation;
- Eligibility criteria, including:
 - Tie-back to disaster;
 - Eligible uses of funds; and
 - Tenant/homebuyer selection plan(s);

- Outreach, Marketing, and Citizen Participation Plan (CPP) and supporting documentation, including:
 - Adopted plan or statement adopting Agency’s CPP; and
 - Documentation for public hearings, comments, and meetings, including:
 - Record of posting;
 - Comments received and responses; and
 - Meeting minutes reflecting the nature of the proposed activities; how the need for the proposed activities was identified; how the proposed activities will be funded and the sources of funds; the requested amount of federal funds; the estimated portion of federal funds that will benefit persons of low-to moderate-income families; where the proposed activities will be conducted; plans to minimize displacement of persons and businesses because of the funded activity; and plans to assist persons displaced (if applicable);
- Language Access Plan (LAP) and supporting documentation:
 - Adopted local CDBG LAP or statement adopting Agency’s CDBG-DR LAP;
- Other applicable project documentation, including but not limited to conceptual project plans, site evaluations, project drawings and specifications, permitting and land entitlements, purchase agreements, financing agreements, etc.

11. MILESTONES

The following milestones are applicable to the AHD program. The Subrecipient must adhere to these milestones, unless otherwise approved by Agency. The Subrecipient must submit project-specific milestones as described and required in Exhibit A, sections 8, “Program Management” and 10, “Project Approval”.

Activity	Date
Subrecipient Policies and Procedures Submitted to Agency*	June 30, 2025
Subrecipient Projects Identified, Selected, and Submitted to Agency*	October 31, 2025
Agency Project Approvals Deadline*	December 31, 2025
Housing Units Occupied by Eligible Households*	August 31, 2028
Closeout (see Exhibit A, section 17, “Completion of Agreement and Closeout)	February 28, 2029

*Indicates that item(s)/action(s) may be submitted/completed sooner than the listed due date.

12. Change Orders

To ensure that all federal and environmental requirements are considered throughout the project, all change orders for construction, regardless of scope, dollar amount, or funding source, must be reviewed

and approved by Agency prior to acceptance. Amendments to the Agreement will be required if the total dollar amount of the Agreement is affected, if the project's scope of work or deliverables are materially affected, or if the project timeline is significantly delayed. Changes to the project budget must be approved in writing and signed by an authorized agent of the Subrecipient, an authorized Agency Procurement Officer, and Contract Administrator.

13. REQUIRED USE OF SYSTEM OF RECORD

All program and project information and documentation must be entered into the applicable AHD program System of Record (SOR), Neighborly. The platform should be used for all pre-award, award, and post-award phases of the grant. The Subrecipient will be provided with access and training on system requirements and usage, as needed.

14. CONTENT OF PERFORMANCE REPORTS AND OTHER REPORTS REQUIRED

Subrecipient must submit regular progress reports on activities completed. Project Status Reports shall be provided to Agency on a form provided by Agency and include relevant project information. Subrecipients will be required to complete certification of compliance with all applicable CDBG-DR rules, including Section 504 and language access. Subrecipient will be subject to monitoring from Agency and may be required to produce any of the applicable documents that are required to be retained under CDBG-DR rules, see Exhibit 5-1: Recordkeeping Checklist for Tracking Activities in HUD publication, “Playing by the Rules: A Handbook for Subrecipients on Administrative Systems,” available at:

<https://files.hudexchange.info/resources/documents/Playing-By-the-Rules-a-Handbook-for-CDBG-Subrecipients-On-Administrative-Systems.pdf>, including also documentation of all expenditures.

15. PROJECT FILES: CONTENT AND REQUIREMENTS

The following items are required and shall be available as part of the project file for all AHD project types:

- **Project Proposal:** A comprehensive project proposal outlining the scope, objectives, initial Duplication of Benefits review, and budget for the affordable housing development project(s). This document should include a detailed description of the proposed activities, timelines, and anticipated outcomes. If there are any changes to a previously approved project or budgets, the Subrecipient must obtain OHCS approval, as detailed herein.
- **General Compliance:** Documentation demonstrating that each project meets a CDBG-DR National Objective, and all relevant federal requirements including but not limited to: Citizen Participation, Environmental Review, Procurement and Contracting, Labor Standards, Construction Standards, Section 3, Uniform Relocation, Section 504, Affirmatively Furthering Fair Housing and other Civil Rights requirements, language access and all other requirements associated with CDBG-DR funding.
- **Citizen Participation Plan Requirements:** The Subrecipient must conduct at least one public hearing and allow for comments on all proposed use of CDBG-DR funds. Subrecipient shall

maintain files demonstrating compliance with their/the State’s adopted CPP and shall submit such records in accordance with Sections 8 and 10.

- **Environmental Review Record:** the Subrecipient shall maintain all records and supporting documentation evidencing the completion of an environmental review process to assess any potential environmental impacts of the project or slate of projects. This may include environmental assessments and studies, permits, and any other documentation ensuring compliance with federal, state, and local environmental regulations.
- **Procurement of Services:** Documentation detailing the procurement process for each procurement transaction covered by this agreement to ensure compliance with all applicable guidelines under 2 CFR Part 200.
- **Project Selection Documentation:** Documentation detailing selection process and demonstrating compliance with adopted project selection method and criteria.
- **Duplication of Benefits Documentation (DOB):** DOB analysis and subrogation agreements
- **Project Specific Documents, as applicable (including but not limited to):**
 - **Pre-Development Documents:** Gap analysis/needs assessment, market and/or rent comparability study, housing development strategy/plan, preliminary site evaluation and assessment, surveys, appraisals, physical and financial feasibility assessments, conceptual project plans, project drawings and specifications, permitting, licensing, and land entitlements, purchase agreements, financing agreements, evidence of site control, and preliminary budgets (including required documentation per Section 9), timelines, and tenant/homebuyer selection plan.
 - **Construction Documents:** Approved program and project budgets, evidence of environmental and land use approvals, permits, construction drawings and specifications (including MEP), bidding documentation, construction contracts, architectural and engineering contracts, construction financing documentation, notices to proceed, project status reports, applications for payment/requests for reimbursement, minutes of pre- and ongoing construction meetings, inspection reports, punch lists, and certificates of occupancy.
 - **Ongoing Operations/Management:** Affordability documentation (deed restriction, restrictive covenant, etc.), affordable rent documentation, marketing plan, residential/homebuyer selection documentation and plan, AFHMP, permanent financing documentation, management plan, updated pro-forma, income certifications (renters and homebuyers) and re-certifications (renters).
- **Engineering and Design Plans:** All projects shall incorporate resiliency requirements. Plans and specifications should also meet all relevant building codes and construction standards, as required by CDBG-DR and as outlined in the AHD program requirements. Construction standards should be included in all bid packages and included in all project/program files. All engineering and design plans must be signed by a licensed engineer or architect.

- **Construction Standards:** The AHD Program requires compliance with both the OHCS design and construction standards outlined in the [Core-Development Manual](#) as well as HUD's Green Building, Broadband, Accessibility and other applicable construction standards. As required by the AHD program, all projects including new construction, reconstruction, and rehabilitation of substantially damaged buildings shall incorporate HUD's Green and Resilient Building Standards, as adopted and included in Subrecipient policies. Projects involving the rehabilitation of residential projects other than those described as 'substantial,' must adhere to the [HUD CPD Green Building Retrofit Checklist](#).
- **Flood Insurance Requirements:** Projects must also comply with CDBG-DR Flood Insurance Requirements, as applicable. Rental properties funded through the AHD Program must comply with all flood insurance requirements. Any property developed in a floodplain must maintain flood insurance in perpetuity.
- **Elevation Standards:** Projects that involved structures as defined at 44 CFR 59.1, designed principally for residential use and located in the 1% annual chance (or 100-year) floodplain, which receive assistance for new construction, reconstruction, rehabilitation of substantial damage, or rehabilitation that results in substantial improvement, as defined at 24 CFR 55.2(b)(10), must be elevated with the lowest floor, including the basement, at least 2 feet above the 1% annual chance floodplain elevation (base flood elevation). If a proposed project or existing structure is in a 500-year floodplain, the structure must be elevated 3 feet above the 100-year floodplain.
- **Permitting and Approvals:** Documents demonstrating that the Subrecipient has obtained all necessary permits, licenses, and approvals required to initiate and complete the infrastructure project. This may involve coordination with local, state, and federal agencies, and compliance with zoning and land use regulations. All required permits must be obtained, and copies must be submitted and reviewed by the Subrecipient prior to the start of construction.
- **Contractor Eligibility:** The Subrecipient must verify prior to signing any contracts that selected contractors and subcontractors are not debarred or suspended or otherwise excluded from or ineligible for participation in Federal Assistance Programs. This verification can be completed by going to the [SAM.gov](#) website.
- **Contract Documents:** The Subrecipient must include all required and applicable federal contract language in every contract and subcontract for each project. A complete list can be found in the CDBG-DR Subrecipient Manual as found on the [OHCS website](#).
- **Construction and Implementation:** Documented execution of the affordable housing development project according to the approved plans and specifications. This includes managing the construction process, ensuring quality control, and adhering to project timelines and budgets. Any changes to the original project scope must be reviewed prior to approval to document to eligibility.

- **Labor Standards Compliance:**
 - Documentation of compliance with federal labor standards provisions, including but not limited to, the Davis Bacon Act, The Copeland Anti-Kickback Act, the Contract Work Hours and Safety Standards Act, the Fair Labor Standards Act, and the Federal Labor Standards Provisions (HUD Form 4010).
 - **Wage Determination Selection:** The Subrecipient must obtain the current, applicable wage determination for the project. Wage determinations only apply to an AHD project when development costs are in excess of \$2,000 and the project includes either infrastructure and/or more than eight (8) residential units. Wage determinations can be found on the [SAM.gov](https://sam.gov) website. The correct wage determination must be incorporated into the bid documents and included in all construction contracts. At least 10 days prior to the bid opening, the Subrecipient must verify that the wage determination is still current, and if necessary, provide a new wage determination if the previously issued wage determination has been modified.
 - **Certified Payroll Reports (if applicable):** The Subrecipient shall retain and review original weekly certified payroll reports to verify proper payment of prevailing wages for all employees at the site of work. Any discrepancies in the certified payrolls must be resolved and documented and where necessary document payment of restitution for any underpayment of wages. Prime contractors are responsible for subcontractor payrolls, which should be sequential and document “no work” weeks. Subrecipient shall file all corrected payroll reports.
 - **On-Site Employee interviews (if applicable):** The Subrecipient must conduct employee interviews to verify information submitted on the certified payroll reports.
 - **Section 3 Requirements:** Documentation of compliance with Section 3 requirements under 24 C.F.R. Part 75.
- **Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA):** Documentation of compliance with URA requirements regarding the acquisition of any real property, including easements.
- **Monitoring and Reporting:** Subrecipient shall develop and adopt a Monitoring Plan, which shall include regular monitoring and reporting on the progress and performance of the project(s). This may involve site visits, inspections, and tracking key metrics to assess project outcomes and identify any issues or deviations from the original plan.
- **Performance and Financial Reporting:** Accurate and timely financial reporting, including documentation of all expenditures related to each project type.
- **Project Documentation:** Comprehensive documentation of all project activities, including contracts, invoices, change orders, and any other relevant records, as detailed in this section

and more broadly, this scope. This documentation should be organized and easily accessible for state and federal monitoring and audits purposes.

- **Infrastructure/Acquisition Projects:** Documentation showing plans for future housing development, including development type and number of units developed. The Subrecipient shall also ensure that future development resulting from the infrastructure or property acquisition is subject to the AHD program affordability periods and rent requirements (based on project/development type). This documentation must be submitted to OHCS with its project approval submission, as outlined in Section 10.
- **CDBG-DR required data as applicable to type of project, including but not limited to:**
 - Project details (name, location, sources)
 - Narrative summary/project status
 - Housing type (single-family, multifamily, homeownership, rental)
 - Activity type (rehab, new construction, reconstruction, acquisition, etc.)
 - Project type (homeownership, rental, infrastructure development, property acquisition)
 - Average cost per unit (construction/rehabilitation)
 - Number and type of units rehabilitated
 - Number affordable
 - Number and type of units constructed
 - Number affordable
 - Number of units acquired
 - Number affordable
 - Number of units brought into compliance with lead safety rules (Lead Based Paint)
 - Number affordable
 - Beneficiary demographics for homebuyer/renter:
 - Race and Ethnicity
 - Household Income
 - Female Headed Households
 - Elderly Occupied Units
 - Number of units subsidized by HA

16. DISBURSEMENT PROVISIONS

Agency will disburse the Grant Funds using Neighborly for direct project costs in accordance with the approved project budget and approved project-specific disbursement schedule. Such disbursement schedule shall be based on the specific AHD eligible project type as defined in Section 1.7.3 of the AHD program guidelines, and will be provided to the subrecipient upon project approval. Unless acquisition only, disbursement schedules for development projects shall also include a provision requiring ten percent

retainage on all disbursements for direct project costs. This requirement shall be passed on to subrecipient's contractors and subcontractors in their respective contracts and shall be included on each submission for reimbursement by subrecipient to Agency. Retainage will only be disbursed upon successfully obtaining a Certificate of Occupancy or in accordance with other requirement as required by the reimbursement schedule and the Agency.

Subrecipient must submit requests for payment for approved Activity Delivery Costs (ADC) at least once per calendar quarter, but no more than once per month, on ADCs incurred during that quarter (or month), by the 15th of the month following the end of the quarter, (or month, if submitted monthly). Activity Delivery Costs must be detailed in the Subrecipient's project budget, as approved by Agency, and must be based on that budgeted submission. Requests for disbursement must be accompanied by supporting documentation and records. Disbursements for ADC will be made by the Agency through the use of Neighborly.

With each request for disbursement, Subrecipient must provide evidence of review in accordance with regulations at 2 CFR 200 for each application for payment/request for disbursement. All expenditures must be listed on the Subrecipient's approved project budget, and must not exceed allocated costs, except where otherwise approved by change order per Exhibit A, section 12. Disbursement will be provided only for verified completed activities authorized herein (see Exhibit A, section 2 and 3) and in accordance with the Agreement and the CDBG-DR and AHD programs.

Subrecipient may make changes to any budget category amounts up to 10% of the total award amount per line item with the approval of OHCS so long as budget categories are not added or deleted, the total dollar amount of the Agreement is not affected, and the outcomes of the Agreement will not be materially affected as determined by OHCS. Such changes to the budget must be approved in writing and signed by OHCS and the Subrecipient, and in accordance with the requirements of this agreement. Agreement amendments are required for any other budget changes.

Subrecipient's final request for disbursement must be received within 45 days of expiration or termination of this Grant.

Subrecipient's use of Agency's disbursement system is subject to the terms outlined in Exhibit E (Online Systems).

17. COMPLETION OF AGREEMENT AND CLOSEOUT

The closeout process will begin when all eligible activities and national objectives have been completed, and all Grant funds have been disbursed. Before commencement of the closeout process, Subrecipient must complete Closeout Package in a form and with the content prescribed by Agency.

EXHIBIT B

INSURANCE

INSURANCE REQUIREMENTS:

Subrecipient shall obtain at Grantee/Recipient's expense the insurance specified in this Exhibit prior to performing under this Grant Agreement. Grantee/Recipient shall maintain such insurance in full force and at its own expense throughout the duration of this Grant Agreement, as required by any extended reporting period or continuous claims made coverage requirements, and all warranty periods that apply. Grantee/Recipient shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to Agency. All coverage shall be primary and non-contributory with any other insurance and self-insurance, with the exception of Professional Liability and Workers' Compensation. Grantee/Recipient shall pay for all deductibles, self-insured retention, and self-insurance, if any.

If Grantee/Recipient maintains broader coverage and/or higher limits than the minimums shown in this Exhibit, Agency requires and shall be entitled to the broader coverage and/or higher limits maintained by Grantee/Recipient.

WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY:

All employers, including Grantee/Recipient, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017, and provide Workers' Compensation Insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Grantee/Recipient shall require and ensure that each of its subcontractors complies with these requirements. If Grantee/Recipient is a subject employer, as defined in ORS 656.023, Grantee/Recipient shall also obtain Employers' Liability insurance coverage with limits not less than \$500,000 each accident.

If Grantee/Recipient is an employer subject to any other state's workers' compensation law, Contactor shall provide Workers' Compensation Insurance coverage for its employees as required by applicable workers' compensation laws including Employers' Liability Insurance coverage with limits not less than \$500,000 and shall require and ensure that each of its out-of-state subcontractors complies with these requirements.

As applicable, Grantee/Recipient shall obtain coverage to discharge all responsibilities and liabilities that arise out of or relate to the Jones Act with limits of no less than \$5,000,000 and/or the Longshoremen's and Harbor Workers' Compensation Act.

COMMERCIAL GENERAL LIABILITY:

Grantee/Recipient shall provide Commercial General Liability Insurance covering bodily injury and property damage in a form and with coverage that are satisfactory to the State of Oregon. This insurance must include personal and advertising injury liability, products and completed operations, contractual liability coverage for the indemnity provided under this Grant Agreement, and have no limitation of coverage to designated premises,

project, or operation. Coverage must be written on an occurrence basis in an amount of not less than \$ 1,000,000 per occurrence and not less than \$ 2,000,000 annual aggregate limit.

AUTOMOBILE LIABILITY INSURANCE:

☒ **Required** ☐ **Not required**

Grantee/Recipient shall provide Automobile Liability Insurance covering Grantee/Recipient's business use including coverage for all owned, non-owned, or hired vehicles with a combined single limit of not less than \$ 1,000,000 for bodily injury and property damage. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for Commercial General Liability and Automobile Liability). Use of personal Automobile Liability insurance coverage may be acceptable if evidence that the policy includes a business use endorsement is provided.

PROFESSIONAL LIABILITY:

☒ **Required** ☐ **Not required**

Grantee/Recipient shall provide Professional Liability Insurance covering any damages caused by an error, omission or any negligent acts related to the services to be provided under this Grant Agreement by the Grantee/Recipient and Grantee/Recipient's subcontractors, agents, officers or employees in an amount not less than \$ 1,000,000 per claim and not less than \$ 2,000,000 annual aggregate limit.

If coverage is provided on a claims made basis, then either an extended reporting period of not less than 24 months shall be included in the Professional Liability insurance coverage, or the Grantee/Recipient shall provide Continuous Claims Made coverage as stated below.

POLLUTION LIABILITY:

☐ **Required** ☒ **Not required**

Grantee/Recipient shall provide Pollution Liability Insurance covering Grantee/Recipient's or appropriate subcontractor's liability for bodily injury, property damage and environmental damage resulting from sudden accidental and gradual pollution and related cleanup costs incurred by Grantee/Recipient, all arising out of the goods delivered or Services (including transportation risk) performed under this Grant Agreement is required with a combined single limit per occurrence not less than \$ 500,000 and not less than \$ 1,000,000 annual aggregate limit.

An endorsement to the Commercial General Liability or Automobile Liability policy, covering Grantee/Recipient's or subcontractor's liability for bodily injury, property damage and environmental damage resulting from sudden accidental and gradual pollution and related clean-up cost incurred by the Grantee/Recipient that arise from the goods delivered or Services (including transportation risk) performed by Grantee/Recipient under this Grant Agreement is also acceptable.

EXCESS/UMBRELLA INSURANCE:

A combination of primary and Excess/Umbrella Insurance may be used to meet the required limits of insurance. When used, all of the primary and Excess or Umbrella policies must provide all of the insurance coverages required herein, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Excess or Umbrella or policies must be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which

also apply to a loss covered hereunder, must be called upon to contribute to a loss until the Grantee/Recipient's primary and excess liability policies are exhausted.

If Excess/Umbrella Insurance is used to meet the minimum insurance requirement, the Certificate of Insurance must include a list of all policies that fall under the Excess/Umbrella insurance.

ADDITIONAL INSURED:

All liability insurance, except for Workers' Compensation, Professional Liability, Directors and Officers Liability and Network Security and Privacy Liability (if applicable), required under this Grant Agreement must include an Additional Insured endorsement specifying the State of Oregon, its officers, employees, and agents as Additional Insureds, but only with respect to Grantee/Recipient's activities to be performed under this Grant Agreement. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

Regarding Additional Insured status under the General Liability policy, Agency requires Additional Insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to Grantee/Recipient's activities to be performed under this Grant Agreement. The Additional Insured endorsement with respect to liability arising out of Grantee/Recipient's ongoing operations must be on, or at least as broad as, ISO Form CG 20 10 and the Additional Insured endorsement with respect to completed operations must be on, or at least as broad as, ISO form CG 20 37.

WAIVER OF SUBROGATION:

Grantee/Recipient shall waive rights of subrogation which Grantee/Recipient or any insurer of Grantee/Recipient may acquire against the Agency or State of Oregon by virtue of the payment of any loss. Grantee/Recipient shall obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not Agency has received a Waiver of Subrogation endorsement from the Grantee/Recipient or the Grantee/Recipient's insurer(s).

CONTINUOUS CLAIMS MADE COVERAGE:

If any of the required liability insurance is on a claims made basis and does not include an extended reporting period of at least 24 months, then Grantee/Recipient shall maintain continuous claims made liability coverage, provided the effective date of the continuous claims made coverage is on or before the effective date of the Grant Agreement, for a minimum of 24 months following the later of:

- (i) Grantee/Recipient 's completion and Agency's acceptance of all Services required under the Grant Agreement, or
- (ii) Agency or Grantee/Recipient termination of this Grant Agreement, or
- (iii) The expiration of all warranty periods provided under this Grant Agreement.

CERTIFICATE(S) AND PROOF OF INSURANCE:

Grantee/Recipient shall provide to Agency Certificate(s) of Insurance for all required insurance before delivering any goods and performing any Services required under this Grant Agreement. The Certificate(s) of Insurance must list the State of Oregon, its officers, employees, and agents as a Certificate holder and as an endorsed Additional Insured. The Certificate(s) of insurance must also include all required endorsements or copies of the applicable policy language effecting coverage required by this Grant Agreement. If Excess/Umbrella Insurance is used to meet the minimum insurance requirement, the Certificate(s) of Insurance must include a list of all policies that fall under the Excess/Umbrella Insurance. As proof of insurance, Agency has the right to request copies of insurance policies and endorsements relating to the insurance requirements in this Exhibit.

NOTICE OF CHANGE OR CANCELLATION:

Grantee/Recipient or its insurer must provide at least 30 calendar days' written notice to Agency before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

INSURANCE REQUIREMENT REVIEW:

Grantee/Recipient agrees to periodic review of insurance requirements by Agency under this Grant Agreement and to provide updated requirements as mutually agreed upon by Grantee/Recipient and Agency.

STATE ACCEPTANCE:

All insurance providers are subject to Agency acceptance. If requested by Agency, Grantee/Recipient shall provide complete copies of insurance policies, endorsements, self-insurance documents and related insurance documents to Agency's representatives responsible for verification of the insurance coverages required under this **Exhibit**.

Additional Coverages That May Apply:

DIRECTORS, OFFICERS, AND ORGANIZATION LIABILITY:

☒ **Required** ☐ **Not required**

Grantee/Recipient shall provide Directors, Officers and Organization Liability Insurance covering the Grantee/Recipient's Organization, Directors, Officers, and Trustees actual or alleged errors, omissions, negligent, or wrongful acts, including improper governance, employment practices and financial oversight - including improper oversight and/or use of grant funds and donor contributions which includes state or federal funds - with a combined single limit of not less than \$ 1,000,000 per claim.

EXHIBIT C FEDERAL TERMS AND CONDITIONS

1. FEDERAL FUNDS

- 1.1. If specified below, Agency's payments to Subrecipient under this Grant will be paid in whole or in part by funds received by Agency from the United States federal government. If so specified then Subrecipient, by signing this Grant, certifies neither it nor its employees, contractors, subcontractors, or subgrantees who will perform the Project activities are currently employed by an agency or department of the federal government.

Payments ☒ will ☐ will not be made in whole or in part with federal funds.

- 1.2. In accordance with the State Controller's Oregon Accounting Manual, policy 30.40.00.104, Agency has determined:

☒ Subrecipient is a subrecipient ☐ Subrecipient is a contractor ☐ Not applicable

- 1.3. Catalog of Federal Domestic Assistance (CFDA) #(s) of federal funds to be paid through this Grant: CFDA #14.228.

2. FEDERAL PROVISIONS

- 2.1. The use of all federal funds paid under this Grant are subject to all applicable federal regulations, including the provisions described below.
- 2.2. Subrecipient must ensure that any further distribution or payment of the federal funds paid under this Grant by means of any contract, subgrant, or other agreement between Subrecipient and another party for the performance of any of the activities of this Grant, includes the requirement that such funds may be used solely in a manner that complies with the provisions of this Grant.
- 2.3. Subrecipient must include and incorporate the provisions described below in all contracts and subgrants that may use, in whole or in part, the funds provided by this Grant.
- 2.4. Subrecipient must comply, and ensure the compliance by contractors or subgrantees, with 41 U.S.C. 4712, Program for Enhancement of Employee Whistleblower Protection. Subrecipient must inform subrecipients, contractors and employees, in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 USC § 4712.

In accordance with Appendix II to 2 CFR Part 200 – Subrecipient is subject to the following provisions, as applicable.

For purposes of these provisions, the following definitions apply:

"Contract" means this Grant or any contract or subgrant funded by this Grant.

"Contractor" and **"Subrecipient"** and **"Non-Federal entity"** mean Subrecipient or Subrecipient's contractors or subgrantees, if any.

(A) Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by [41 U.S.C. 1908](#), must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under [41 CFR Part 60](#), all contracts that meet the definition of “federally assisted construction contract” in [41 CFR Part 60-1.3](#) must include the equal opportunity clause provided under [41 CFR 60-1.4\(b\)](#), in accordance with Executive Order 11246, “Equal Employment Opportunity” ([30 FR 12319](#), [12935](#), [3 CFR Part, 1964-1965](#) Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at [41 CFR part 60](#), “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

(D) Davis-Bacon Act, as amended ([40 U.S.C. 3141-3148](#)). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act ([40 U.S.C. 3141-3144](#), and [3146-3148](#)) as supplemented by Department of Labor regulations ([29 CFR Part 5](#), “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act ([40 U.S.C. 3145](#)), as supplemented by Department of Labor regulations ([29 CFR Part 3](#), “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act ([40 U.S.C. 3701-3708](#)). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with [40 U.S.C. 3702](#) and [3704](#), as supplemented by Department of Labor regulations ([29 CFR Part 5](#)). Under [40 U.S.C. 3702](#) of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of [40 U.S.C. 3704](#) are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of

supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under [37 CFR § 401.2 \(a\)](#) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of [37 CFR Part 401](#), “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

(G) Clean Air Act ([42 U.S.C. 7401-7671q.](#)) and the Federal Water Pollution Control Act ([33 U.S.C. 1251-1387](#)), as amended - Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act ([42 U.S.C. 7401-7671q](#)) and the Federal Water Pollution Control Act as amended ([33 U.S.C. 1251-1387](#)). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689) - A contract award (see [2 CFR 180.220](#)) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at [2 CFR 180](#) that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(I) Byrd Anti-Lobbying Amendment ([31 U.S.C. 1352](#)) - Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by [31 U.S.C. 1352](#). Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See §200.323 Procurement of recovered materials: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.323>.

(K) See § 200.216 Prohibition on certain telecommunications and video surveillance services or equipment: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-C/section-200.216>.

(L) See § 200.322 Domestic preferences for procurements: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.322>.

Subrecipient is subject to the following provisions, as applicable.

(A) Audits.

- i. Contractor must comply, and require any subcontractor to comply, with applicable audit requirements and responsibilities set forth in this Contract and applicable state or federal law.
- ii. If Contractor receives federal awards in excess of \$750,000 in a fiscal year, Contractor is subject to audit conducted in accordance with the provisions of 2 CFR part 200, subpart F. Copies of all audits must be submitted to Agency within 30 days of completion.
- iii. Contractor must save, protect and hold harmless Agency from the cost of any audits or special investigations performed by the Secretary of State with respect to the funds expended under this Contract. Contractor acknowledges and agrees that any audit costs incurred by Contractor as a result of allegations of fraud, waste or abuse are ineligible for reimbursement under this or any other agreement between Contractor and State.

(B) System for Award Management. Subrecipient must comply with applicable requirements regarding the System for Award Management (SAM), currently accessible at <https://www.sam.gov>. This includes applicable requirements regarding registration with SAM, as well as maintaining current information in SAM. Subrecipient also must comply with applicable restrictions on subawards ("subgrants") to first-tier subrecipients (first-tier "subgrantees"), including restrictions on subawards to entities that do not acquire and provide (to the Subrecipient) the unique entity identifier required for SAM registration.

EXHIBIT D
FEDERAL AWARD IDENTIFICATION
(Required by 2 CFR 200.332(a) (1))

(i) Subrecipient name: <i>(must match name associated with UEI)</i>	Clackamas County Housing and Community Development Department
(ii) Subrecipient's Unique Entity Identifier (UEI):	
(iii) Federal Award Identification Number (FAIN):	B-21-DZ-41-0001
(iv) Federal award date: <i>(date of award to state by federal agency)</i>	February 3, 2023
(v) Grant period of performance start and end dates:	Start: February 1, 2025 End: October 31, 2028
(vi) Grant budget period start and end dates:	Start: February 1, 2025 End: October 31, 2028
(vii) Amount of federal funds obligated by this Grant:	\$7,747,747
(viii) Total* amount of federal funds obligated to Subrecipient by pass-through entity**, including this Grant:	\$7,747,747
(ix) Total* amount of the federal award committed to Subrecipient by pass-through entity: <i>(amount of federal funds from this FAIN committed to Subrecipient)</i>	\$7,747,747
(x) Federal award project description:	
(xi) a. Federal awarding agency:	Housing and Urban Development (HUD)
b. Name of pass-through entity:	Oregon Housing and Community Services Department
c. Contact information for awarding official of pass-through entity:	Name: Nathan Oetting Email: nathan.oetting@hcs.oregon.gov
(xii) Assistance listings number, title, and amount:	Number: 14.228 Title: CDBG-DR Amount: \$422,286,000
(xiii) Is federal award research and development:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
(xiv) a. Indirect cost rate for the federal award:	
b. Is the de minimis rate being used per §200.414?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

*The total amount is limited to the current state fiscal year (July 1 to June 30).

**The term "pass-through entity" refers to OHCS.

EXHIBIT E ONLINE SYSTEMS

1. Subrecipient and its subgrantees must enter all appropriate and necessary data into OPUS (a web-based application developed by Agency), Housing Stabilization Module (HSM) Allita, Homeless Management Information System (HMIS), or other Agency-approved systems (the “Sites”) at the time of client intake for this program. Exceptions are only allowed with prior written approval by Agency.
2. **Sites’ Terms and Conditions.** As a condition of use of the Sites, Subrecipient and its subgrantees (“User”) agrees to all Agency terms and conditions contained in this Grant, notices on the Sites, or as otherwise directed by Agency. User agrees to not use the Sites for any unlawful purpose. Agency reserves the right, at its discretion, to update or revise the Sites’ terms of use. Continued use of the Sites constitutes acceptance of the Sites’ terms and conditions.
3. **Local Data Collection.** Use of the Sites for additional reported “local” program data is at the Subrecipient’s own risk. Agency will not modify or otherwise create any screen, report, or tool in the Sites to meet needs related to this local data.
4. **Data Rights.** Subrecipient hereby grants and will require and cause any subgrantee to grant Agency the right to reproduce, use, display, adapt, modify, distribute, and promote the content in any form and disclose, as allowed by law, any or all of the information or data furnished to or received by Agency directly or indirectly resulting from this Grant. Subrecipient also shall use and shall require and cause its subgrantees to use client release forms and privacy policy forms (samples provided by Agency) in connection with obtaining and transmitting client data.
5. **Disclaimer of Warranties.** Subrecipient understands and agrees, and shall require its subgrantees to agree, that all materials, information, software, products, and services included in or available through the Sites (the “Content”) are provided “as is” and “as available” for use. The Content is provided without warranties of any kind, either express or implied, including, but not limited to, implied warranties of merchantability, fitness for a particular purpose, or non-infringement. Agency does not warrant that: (1) the Content is accurate, reliable, or correct; (2) the Sites will be available at any particular time or location; (3) any defects or errors will be corrected; or (4) the Content is free of viruses or other harmful components. Use of the Sites is solely at the User’s risk. User hereby accepts the risk of its use of the Sites, and of the use of the Sites by its subgrantees.
 - 5.1. Notwithstanding the foregoing, Agency represents and warrants that the HSM system shall perform in accordance with the documentation for such system. Except as provided for in this Section 5.1, with respect to the HSM system, all other warranties of any kind, either express or implied, including but not limited to, implied warranties of merchantability, fitness for a particular purpose, or non-infringement are expressly disclaimed. Moreover, with respect to the HSM system, Agency does not warrant (1) the Content is accurate, reliable or correct; (2) the Sites will be available for any particular time or location; (3) any defects or errors will be corrected; or (4) the Content is free of viruses or other harmful components.
6. **Limitation of Liability.** Subrecipient agrees that under no circumstances will Agency be liable for any indirect, punitive, incidental, special, or consequential damages that result from the use of, or inability to use the Sites. This limitation applies whether the alleged liability is based on contract, tort,

negligence, strict liability, or any other basis, even if Agency has been informed of the possibility of such damage.

Exhibit F

HUD GENERAL PROVISIONS AND OTHER FEDERAL STATUTES, REGULATIONS, AND REQUIREMENTS

Given that the Agreement involves funds for which the U.S. Department of Housing and Urban Development (HUD) is the oversight agency, the following terms and conditions may apply to this Agreement. In addition, Subrecipient shall comply with the Federal Labor Standards Provisions set forth in Form HUD-4010, available at <https://www.hudexchange.info/resource/2490/hud-form-4010-federal-labor-standards-provisions/>

The Subrecipient shall include these terms and conditions in all subcontracts or purchase orders directly servicing this Agreement. These general provisions may be updated from time to time. It is the sole responsibility of the Subrecipient to be aware of any changes hereto, to amend and implement such changes and to ensure subcontracts terms and conditions are modified as necessary, if any.

General Provisions:

1. GENERAL COMPLIANCE

The Subrecipient shall comply with all applicable provisions of the Housing and Community Development Act of 1974, as amended, and the regulations at 24 C.F.R. § 570, as modified by the Federal Register notices that govern the use of CDBG-DR funds available under this Agreement. See Federal Register Vol. 88, No. 11, FR 6368 (January 18, 2023). Notwithstanding the foregoing, (1) the Subrecipient does not assume any of OHCS' responsibilities for environmental review, decision-making, and action, described in 24 C.F.R. Part 58 and (2) the Subrecipient does not assume any of OHCS' responsibilities for initiating the review process under the provisions of 24 C.F.R. Part 52. The Subrecipient shall also comply with all other applicable Federal, state and local laws, regulations, and policies that govern the use of the CDBG-DR funds in complying with its obligations under this Agreement, regardless of whether CDBG-DR funds are made available to the Subrecipient on an advance or reimbursement basis. This includes without limitation, applicable Federal Registers; 2 C.F.R. Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Community Development Act of 1974; 24 C.F.R. Part 570 Community Development Block Grant; applicable waivers; Fair Housing Act, 24 C.F.R. Subpart. A, Pt. 35, Subpart. A, 24 C.F.R. Part 58, 24 C.F.R. Part 135; National Historic Preservation Act, and any other applicable state laws or regulations, including the requirements related to nondiscrimination, labor standards and the environment; and Action Plan amendments and HUD's guidance on the funds.

Where waivers or alternative requirements are provided for in the applicable Federal Register Notices or any future Federal Register Notice published by HUD ("HUD Notices"), such requirements, including any regulations referenced therein, shall apply.

The Subrecipient also agrees to comply with all other applicable Federal, State, and local laws, regulations, HUD Notices, policies, and guidelines, whether existing or to be established, provided the same are applied

to activities occurring after the date the policy or guideline was established, governing the Funds provided under this Agreement. In the event a conflict arises between the provisions of this Agreement and any of the foregoing, the Federal, State, and local laws, regulations, HUD Notices, policies, and guidelines shall control, and this Agreement shall be interpreted in a manner so as to allow for the terms contained herein to remain valid and consistent with such Federal, State, and local laws, regulations, HUD Notices, policies and guidelines.

The Subrecipient shall also comply with applicable OHCS' policies and guidelines as established in Program Guidelines and their amendments, if any, as found in the ReOregon Website (<https://re.oregon.gov>) which are herein included and made integral part of this Agreement, as it may be updated from time to time.

2. REPORTING REQUIREMENTS

The Subrecipient shall complete and submit all reports, in such form and according to such schedule, as may be required by OHCS. The Subrecipient shall cooperate with all OHCS efforts to comply with HUD requirements and regulations pertaining to reporting, including but not limited to 2 C.F.R. § 200.328 and 24 C.F.R. § 570.507, when applicable.

3. FINANCIAL & PROGRAM MANAGEMENT

The Subrecipient shall expend and account for all CDBG-DR funds received under this Agreement in accordance with 2 C.F.R. Part 200 subpart D §302 - §303 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

The Subrecipient shall administer its Program in conformance with Cost Principles as outlined in 2 C.F.R. Part 200 subpart E, as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

4. SYSTEM FOR AWARD MANAGEMENT (SAM) AND FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA)

The Subrecipient shall comply with the requirements of 2 CFR part 25 Universal Identifier and System for Award Management (SAM). The Subrecipient must have an active registration in SAM in accordance with 2 CFR part 25, appendix A, and must have a Unique Entity Identifier (UEI). The Subrecipient must also comply with provisions of the Federal Funding Accountability and Transparency Act, which includes requirements on executive compensation, and 2 CFR part 170 Reporting Subaward and Executive Compensation Information (<https://www.fsrs.gov/>).

5. SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS

The Subrecipient will engage in affirmative outreach to assure that minority firms, women's business enterprises, and labor surplus area firms have the opportunity to be used in subcontracting when possible. Steps include, but are not limited to:

- a) Placing qualified small and minority businesses and women's business enterprises on solicitation lists.
- b) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources.
- c) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises.
- d) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; and
- e) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.

Additionally, for contracts of \$10,000 or more, the Subrecipient shall file Form HUD 2516 (Contract and Subcontract Activity) with OHCS on a quarterly basis.

6. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 C.F.R. Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements", and any implementing regulations issued by HUD.

7. DEBARMENT, SUSPENSION, AND INELIGIBILITY

The Subrecipient represents and warrants that it and its subcontractors are not debarred or suspended or otherwise excluded from or ineligible for participation in Federal assistance Programs subject to 2 C.F.R. Part 2424.

8. CONFLICTS OF INTEREST

The Subrecipient agrees to abide by the provisions of 2 C.F.R. Part 200, as applicable, and 24 C.F.R. § 570.611. Additionally, the Subrecipient shall notify OHCS as soon as possible if this Agreement or any aspect related to the anticipated work under this Agreement raises an actual or potential conflict of interest (as defined 2 C.F.R. § 200.318(c), if applicable). The Subrecipient shall explain the actual or potential conflict in writing in sufficient detail so that OHCS is able to assess such actual or potential conflict. The Subrecipient shall provide OHCS any additional information necessary to fully assess and address such actual or potential conflict of interest. The Subrecipient shall accept any reasonable conflict mitigation strategy employed by OHCS, including but not limited to the use of an independent subcontractor(s) to perform the portion of work that gives rise to the actual or potential conflict.

9. SUBCONTRACTING

When subcontracting, the Subrecipient shall solicit for and contract with such subcontractors in a manner providing for fair competition. Some of the situations considered to be restrictive of competition include, but are not limited to:

- a) Placing unreasonable requirements on firms in order for them to qualify to do business.
- b) Requiring unnecessary experience and excessive bonding.
- c) Noncompetitive pricing practices between firms or between affiliated Companies.
- d) Noncompetitive awards to consultants that are on retainer contracts,

- e) Organizational conflicts of interest.
- f) Specifying only a brand name product instead of allowing an equal product to be offered and describing the performance of other relevant requirements of the procurement; and
- g) Any arbitrary action in the procurement process.

The Subrecipient represents to OHCS that all work shall be performed by personnel experienced in the appropriate and applicable profession and areas of expertise, taking into account the nature of the work to be performed under this Agreement. The Subrecipient will include these HUD General Provisions in every subcontract issued by it, so that such provisions will be binding upon each of its subcontractors as well as the requirement to flow down such terms to all lower-tiered subcontractors.

10. COPELAND “ANTI-KICKBACK” ACT

Salaries of personnel performing work under this Agreement shall be paid unconditionally and not less often than once a month without payroll deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the Copeland “Anti-Kickback Act” of June 13, 1934 (18 U.S.C. § 874, 40 U.S.C. §§ 276c and 3145, and all supporting federal regulations as amended from time to time). The Subrecipient shall comply with all applicable “Anti-Kickback” regulations and shall insert appropriate provisions in all subcontracts covering work under this Agreement to ensure compliance by subcontractors with such regulations and shall be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

11. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

The Subrecipient shall comply with the Contract Work Hours and Safety Standards Act (“CWHSS Act”) (40 USC §§ 3702-3704 and all supporting federal regulations as amended from time to time). as supplemented by Department of Labor regulations (29 C.F.R. Part 5).

All laborers and mechanics employed by Subrecipient, or subcontractors shall receive overtime compensation in accordance with and subject to the provisions of the Contract Work Hours and Safety Standards Act, and the Subrecipient and subcontractors shall comply with all regulations issued pursuant to that act and with other applicable Federal laws and regulations pertaining to labor standards.

12. HEALTH AND SAFETY STANDARDS

All parties participating in this project agree to comply with the CWHSS Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions, which are unsanitary, hazardous, or dangerous to his or her health and safety as determined under construction, safety, and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchase of supplies or materials or articles ordinarily available on the open market, or contracts for transportation.

13. DAVIS-BACON ACT

The Subrecipient shall comply with the Davis Bacon Act (40 U.S.C. § 3141, et seq) as supplemented by Department of Labor regulations (29 C.F.R. Part 5). All laborers and mechanics employed by Subrecipients or subcontractors, including employees of other governments, on construction work assisted under this Agreement, and subject to the provisions of the federal acts and regulations listed in this paragraph, shall be

paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. On a semi-annual basis, the Subrecipient shall submit Form HUD 4710 (Semi-Annual labor Standards Enforcement Report) to OHCS.

14. SECTION 503 OF THE REHABILITATION ACT OF 1973

The Subrecipient shall comply with Section 503 of the Rehabilitation Act of 1973 (29 U.S.C. § 793), as amended, and any applicable regulations.

Equal Opportunity for Workers with Disabilities:

- a) The Subrecipient will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The Subrecipient agrees to take affirmative action to employ, advance in employment and otherwise treat qualified individuals with disabilities without discrimination based on their physical or mental disability in all employment practices, including the following:
 - (i) Recruitment, advertising, and job application procedures.
 - (ii) Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring.
 - (iii) Rates of pay or any other form of compensation and changes in compensation.
 - (iv) Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists.
 - (v) Leaves of absence, sick leave, or any other leave.
 - (vi) Fringe benefits available by virtue of employment, whether or not administered by the Subrecipient.
 - (vii) Selection and financial support for training, including apprenticeship, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training.
 - (viii) Activities sponsored by the Subrecipient including social or recreational Programs; and
 - (ix) Any other term, condition, or privilege of employment.
- b) The Subrecipient agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- c) In the event of the Subrecipient's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- d) The Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Deputy Assistant Secretary for Federal Contract Compliance Programs, provided by or through the contracting officer. Such notices shall state the rights of applicants and employees as well as the Subrecipients' obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants with disabilities. The Subrecipient must ensure that applicants and employees with disabilities are informed of the contents of the notice (e.g., the Subrecipient may have the notice read to a visually disabled individual or may lower the posted notice so that it might be read by a person in a wheelchair).
- e) The Subrecipient will notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Subrecipient is bound by the terms

of Section 503 of the Rehabilitation Act of 1973, as amended, and is committed to take affirmative action to employ and advance in employment individuals with physical or mental disabilities.

f) The Subrecipient will include the provisions of this clause in every subcontract or purchase order in excess of \$10,000, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, as amended, so that such provisions will be binding upon each subcontractor or vendor. The Subrecipient will take such action with respect to any subcontract or purchase order as the Deputy Assistant Secretary for Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

15. EQUAL EMPLOYMENT OPPORTUNITY

(Applicable to construction contracts and subcontracts exceeding \$10,000)

The Subrecipient shall comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 C.F.R. chapter 60).

During the performance of this Agreement, the Subrecipient agrees as follows:

- a) The Subrecipient shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Subrecipient shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- b) The Subrecipient shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this non-discrimination clause. The Subrecipient shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- c) The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- d) The Subrecipient will send to each labor union or representative of workers with which he or she has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the Subrecipient's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- e) The Subrecipient will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
- f) The Subrecipient will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to books, records and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- g) In the event of the Subrecipient's non-compliance with the non-discrimination clause of this Agreement or with any of such rules, regulations or orders, this Agreement may be cancelled, terminated or suspended in whole or in part and the Subrecipient may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246 and such other sanctions as

may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

h) Subrecipient shall incorporate the provisions of (a) through (g) above in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor so that such provisions shall be binding on such subcontractor. The Subrecipient will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for non-compliance, provided, however, that in the event the Subrecipient becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the Subrecipient may request the United States to enter into such litigation to protect the interests of the United States.

16. CERTIFICATION OF COMPLIANCE WITH CLEAN AIR AND WATER ACTS

The Subrecipient and all subcontractors shall comply with the requirements of the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq., the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq., and the regulations of the Environmental Protection Agency with respect thereto, at 40 C.F.R. Part 15 and 32, as amended, the Clean Water Act (33 U.S.C. § 1368 and all supporting federal regulations as amended from time to time, and Executive Order 11738.

In addition to the foregoing requirements, all nonexempt contractors and subcontractors shall furnish to the owner, the following:

- a) A stipulation by the Subrecipient or subcontractors, that any facility to be utilized in the performance of any nonexempt contract or subcontract, is not listed on the Excluded Party Listing System pursuant to 40 C.F.R. § 32 or on the List of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 C.F.R. Part 15, as amended.
- b) Agreement by the Subrecipient to comply with all the requirements of the Clean Air Act, as amended, (42 U.S.C. § 7414) and the Federal Water Pollution Control Act, as amended, (33 U.S.C. § 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements involving record keeping and reporting, and all regulations and guidelines issued thereunder.
- c) A stipulation that as a condition for the award of the Agreement, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized, or to be utilized for the Agreement, is under consideration to be listed on the Excluded Party Listing System or the EPA List of Violating Facilities.
- d) Agreement by the Subrecipient that he or she will include, or cause to be included, the criteria and requirements in paragraph (a) through (d) of this section in every nonexempt subcontract and requiring that the Subrecipient will take such action as the government may direct as a means of enforcing such provisions.

17. ANTI-LOBBYING

By the execution of this Agreement, the Subrecipient certifies, to the best of his or her knowledge and belief, that:

- a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Subrecipient, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Subrecipient shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities", in accordance with its instructions.

c) The Subrecipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly.

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

18. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968

The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

a) The parties to this agreement agree to comply with HUD's regulations in 24 C.F.R. Part 75, which implement Section 3. As evidenced by their execution of this contract, the Parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with part 75 regulations.

b) The Subrecipient agrees to send to each labor organization or representative of workers with which the Subrecipient has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Subrecipient's commitments under this Section 3 clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

c) The Subrecipient agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 75 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. Part 75. The Subrecipient will not subcontract with any subcontractor where the Subrecipient has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 75.

d) The Subrecipient acknowledges that Subrecipients, contractors, and subcontractors are required to meet the employment, training, and contraction requirements of 24 C.F.R. § 75.19, regardless of whether Section 3 language is included in recipient or Subrecipient agreements, Program regulatory agreements, or contracts.

e) The Subrecipient will certify that any vacant employment positions, including training positions, that are filled (1) after the Subrecipient is selected but before the agreement is executed, and (2) with persons

other than those to whom the regulations of 24 C.F.R. Part 75 require employment opportunities to be directed, were not filled to circumvent the Subrecipient's obligations under 24 C.F.R. Part 75.

f) Noncompliance with HUD's regulations in 24 C.F.R. Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

g) With respect to work performed in connection with Section 3 covered Indian housing assistance, the Indian Self-Determination and Education Assistance Act (ISEA Act)(25 U.S.C. § 5307) also applies to the work to be performed under this contract. Specifically, the ISEA Act requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to these provisions of the ISEA Act and Section 3 agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with the ISEA Act.

h) The Subrecipient agrees to submit, and shall require its subcontractors to submit to them, monthly reports to OHCS detailing the total number of labor hours worked on the Section 3 Project, the total number of labor hours worked by Section 3 Workers, and the total number of hours worked by Targeted Section 3 Workers, and any affirmative efforts made during the quarter to direct hiring efforts to low- and very low-income persons, particularly persons who are Section 3 Workers and Targeted Section 3 Workers.

19. FAIR HOUSING ACT

Subrecipient shall comply with the provisions of the Fair Housing Act of 1968, as amended. The Act prohibits discrimination in the sale or rental of housing, the financing of housing or the provision of brokerage services against any person on the basis of race, color, religion, sex, national origin, disability, or familial status. The Equal Opportunity in Housing Act prohibits discrimination against individuals on the basis of race, color, religion, sex or national origin in the sale, rental, leasing or other disposition of residential property, or in the use or occupancy of housing assisted with Federal funds.

20. ENERGY POLICY AND CONSERVATION ACT

Subrecipient shall comply with mandatory standards and policies relating to energy efficiency as contained in the Energy Policy and Conservation Act (42 U.S.C. § 6201 et seq).

21. POLITICAL ACTIVITY

Subrecipient agrees to comply with mandatory standards and policies relating to Hatch Act, 5 U.S.C. §§ 1501-1508 as amended.

The Subrecipient shall comply with the Hatch Act, 5 U.S.C. §§ 1501 – 1508, and shall ensure that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of 5 USC 1501 - 5 USC 1508.

The Hatch Act applies to political activities of certain state and local employees. As a OHCS Subrecipient, you may do any of the following activities: be a candidate in nonpartisan elections; attend political meetings and conventions; contribute money; campaign in partisan elections; and hold office in political parties.

The Subrecipient may not do the following activities: be a candidate in partisan elections; use official influence to interfere in elections; coerce political contributions from subordinates in support of political parties or candidates the office of special counsel operates a website that provides guidance concerning hatch act issues.

22. RELIGIOUS ACTIVITY

The Subrecipient agrees to abstain from using any funds related to this Agreement for inherently religious activities prohibited by 24 C.F.R. § 570.200(j), such as worship, religious instruction, or proselytization.

23. FLOOD DISASTER PROTECTION ACT OF 1973

The Subrecipient will ensure that procedures and mechanisms are put into place to monitor compliance with all flood insurance requirements as found in the Flood Disaster Protection Act of 1973, 24 C.F.R. § 570.605.

24. LEAD BASED PAINT

The Subrecipient must comply with the regulations regarding lead-based paint found at 24 C.F.R. Part 35 on LEAD-BASED PAINT POISONING PREVENTION IN CERTAIN RESIDENTIAL STRUCTURES with regards to all housing units assisted using CDBG-DR funds.

25. VALUE ENGINEERING

The Subrecipient must comply with the regulations regarding systematic and organized approach to analyze functions of systems, equipment, facilities, services, and materials to ensure they achieve their essential functions at the lowest cost consistent to life cycle in execution, reliability, quality, and safety, in accordance with 2 C.F.R. § 200.318(g).

27. DRUG-FREE WORKPLACE

The Subrecipient must comply with drug-free workplace requirements in 41 USC sections 701-701and 2 CFR 182 as required in this agreement under the Drug-Free Workplace Act of 1988 as supported by any and all federal regulations and policies as amended from time to time.

28. OHCS RECOGNITION

Unless otherwise directed by OHCS, the Subrecipient shall ensure recognition of the role of HUD and OHCS in providing funding, services, and efforts through this Agreement. Unless otherwise directed by OHCS, all activities, facilities, and items utilized pursuant to this Agreement shall be prominently labeled regarding the role of HUD and of OHCS. In addition, the Subrecipient shall include a reference to the support provided herein in all publications made possible with funds made available under this Agreement. The OHCS reserves the right to direct specific reasonable recognition requirements on a case-by-case basis, including but not limited, to the size and content, waiver, removal, or addition of such recognition.

29. UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

The Subrecipient shall comply with the applicable provisions in 2 C.F.R. Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

30. DOCUMENTATION AND RECORD KEEPING

The Subrecipient shall maintain all records required by applicable law to be maintained, including but not limited to the Federal regulations specified in (1) 2 C.F.R. Part 200; (2) 24 C.F.R. § 570.506; and (3) the applicable HUD Notices that are pertinent to the activities to be funded under this Agreement, as well as any additional records required by OHCS. Such records shall include but not be limited to:

- a) Records providing a full description of each activity undertaken.
- b) Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG-DR Programs, as modified by the HUD Notices.
- c) Records required to determine the eligibility of activities.
- d) Records required to document the acquisition, improvement, use, or disposition of real property acquired or improved with CDBG-DR funds.
- e) Records documenting compliance with the fair housing and equal opportunity components of the CDBG-DR Program.
- f) Financial records as required by (1) 24 C.F.R. § 570.502; and (2) 2 C.F.R. Part 200.
- g) Other records necessary to document compliance with Subpart K of 24 C.F.R. Part 570.

31. ACCESS TO RECORDS

OHCS, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, shall have at any time and from time to time during normal business hours, access to any work product, books, documents, papers, and records of the Subrecipient which are related to this Agreement, for the purpose of inspection, audits, examinations, and making excerpts, copies and transcriptions.

32. RECORD RETENTION AND TRANSMISSION OF RECORDS TO THE OHCS

The Subrecipient shall retain all official records on Programs and individual activities shall be retained for the greater of five (5) years, starting from the closeout of the grant between OHCS and HUD, or the end of the affordability period for each housing activity, whichever is longer. If any other laws and regulations as described in 24 C.F.R. § 570.490 applies to a project, the record retention period may be extended. All records involved in litigation, claims, audits, negotiations, or other actions, which have started before the expiration date of their retention, will be kept until completion of the action and resolution of all issues or the end of the regular five (5) year period, whichever is longer. (See 2 C.F.R. § 200.334 and 24 C.F.R. § 570.490(d).)

Records shall be made available to OHCS upon request.

33. CLIENT DATA AND OTHER SENSITIVE INFORMATION

In the event that the Subrecipient comes to possess client data and other sensitive information as a result of this Agreement, then the Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to OHCS monitors or their designees for review upon request.

The Subrecipient must comply with 2 C.F.R. § 200.303 and shall take reasonable measures to safeguard protected personally identifiable information, as defined in 2 C.F.R. § 200.82, and other information HUD or OHCS designates as sensitive or the Subrecipient considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality. Additionally, the Subrecipient must comply with OHCS CDBG-DR Personally Identifiable Information Policy, as found in the ReOregon Website ([link]), which is herein included and made integral part of this Agreement, as it may be updated from time to time

The Subrecipient shall comply with all State or local requirements concerning the privacy of personal records, consistent with 24 C.F.R. § 570.508 (local governments) and §570.490(c) (States).

34. CLOSE-OUT

The Subrecipient shall comply with the provisions of 2 C.F.R. § 200.344. The Subrecipient's obligation to OHCS shall not end until all close-out requirements are completed. Activities during this close-out period may include, but are not limited to: making final payments, disposing of Program assets (including the return of all unused materials, equipment, unspent cash advances, Program income balances, and accounts receivable to OHCS), properly addressing Program Income (as that term is defined in section V(A)(19)(a) of the HUD Notice 84 Fed. Reg. 45838, 45858 (August 30, 2019, as may be amended by HUD)), balances, and accounts receivable to OHCS), determining the custodianship of records, and the Subrecipient certification of compliance with the terms of this Agreement. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG-DR funds, including Program Income.

Notwithstanding the terms of 2 C.F.R. § 200.343, upon the expiration of this Agreement, the Subrecipient shall transfer to the recipient any CDBG-DR funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG-DR funds, further, any real property under the Subrecipient's control that was acquired or improved in whole or in part with CDBG-DR funds (including CDBG-DR funds provided to the Subrecipient in the form of a loan) shall be treated in accordance with 24 C.F.R. § 570.503(b)(7).

35. AUDITS AND INSPECTIONS

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to OHCS, HUD, and the Comptroller General of the United States, or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within thirty (30) days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements shall constitute a violation of this Agreement and may result in the withholding of future payments and/or termination.

36. SINGLE AUDIT

The Subrecipient must be audited as required by 2 C.F.R. Part 200, subpart F, when the Subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in 2 C.F.R. § 200.501 - Audit requirements. Once said threshold is reached or exceeded, the Subrecipient shall notify OHCS and shall report that event in the corresponding monthly progress report.

The Subrecipient shall procure or otherwise arrange for the audit to be conducted for that year, as required in 2 C.F.R. § 200.501(a)-(b); moreover, that it is properly performed and submitted when due in accordance with provisions that include but are not limited to those set forth in 2 C.F.R. § 200.512 - Report submission, as stated in 2 C.F.R. § 200.508(a) – Auditee responsibilities.

Among other relevant provisions, the Subrecipient shall comply with: (a) the electronic submission of data and reports to the Federal Audit Clearinghouse (FAC) (2 C.F.R. § 200.512(d)) and (b) ensuring that reports do not include protected personally identifiable information as set forth in 2 C.F.R. § 200.512(a)(2)).

37. INSPECTIONS AND MONITORING

Subrecipients must constantly monitor performance to ensure that time schedules are being met, projected milestones are being accomplished, and other performance goals are being achieved in accordance with the approved application. In addition, all activities must be conducted in compliance with federal and state requirements. Problems, delays, or adverse conditions affecting the Subrecipient's ability to meet grant objectives or time schedules should be reported to OHCS. The Subrecipient may report these matters via the monthly Performance Report or may contact OHCS, as appropriate, at any other time.

The Subrecipient shall permit OHCS and auditors to have access to the Subrecipient's records and financial statements as necessary for OHCS to meet the requirements of 2 C.F.R. Part 200.

38. CORRECTIVE ACTIONS

The OHCS may issue management decisions and may consider taking enforcement actions including but not limited to corrective actions in 24 C.F.R. § 570.910 if noncompliance is detected during monitoring and audits. The OHCS may require the Subrecipient to take timely and appropriate action on all deficiencies pertaining to the Federal award provided to the Subrecipient from the pass-through entity detected through audits, on-site reviews, and other means. A timely and appropriate action shall be predicated on reasonable standard wherein the Subrecipient utilizes all available resources to correct the noted issue or issues. In response to audit deficiencies or other findings of noncompliance with this Agreement, OHCS may impose additional conditions on the use of the CDBG-DR funds to ensure future compliance or provide training and technical assistance as needed to correct noncompliance.

39. PROCUREMENT AND CONTRACTOR OVERSIGHT

The Subrecipient shall ensure that every process of procurement of goods and services comply with federal procurement rules and regulations found in 2 C.F.R. § 200.318 through §200.327, procurement requirements that include, but are not limited to: (a) providing full and open competition; (b) following required steps to ensure the use of small and minority businesses, women's business enterprises, and labor surplus area firms when possible; (c) performing a cost or price analysis; (d) evaluating and documenting contractor's integrity, compliance with public policy, record of past performance, and financial and technical resources; (e) ensuring that the contractor has not been suspended or debarred; (f) prohibiting the use of statutorily or administratively imposed state, local, or tribal geographic preferences in evaluating bids or proposal; (g) excluding contractors that may have an unfair competitive advantage, and; (h) maintaining records to detail the history of procurement considerations. OHCS must obtain and maintain records to document how the procurement performed by the Subrecipient complied with the aforementioned federal procurement rules and regulations, as amended from time to time.

The Subrecipient shall include all applicable OHCS' conditions (as revised from time to time by OHCS in accordance with applicable law, rule or regulation) in any contract entered into under this Agreement. Subrecipient shall also require all contractors to flow down these Conditions, as well as termination for convenience of OHCS, to all subcontractors as well as the requirement to flow down such terms to all lower-tiered subcontractors. These Conditions include required terms for project contracts, HUD General Provisions, Participation by Minority Group Members and Women Requirements and Procedures for Contracts, Standard Clauses for Contracts with OHCS, and required diversity forms.

The Subrecipient must comply with CDBG-DR regulations regarding debarred or suspended entities at 24 C.F.R. § 570.609 or 24 C.F.R. § 570.489(l) as appropriate. CDBG-DR funds may not be provided to excluded or disqualified persons.

The Subrecipient shall maintain oversight of all activities under this Agreement and shall ensure that for any procured contract or Agreement, as applicable, its contractors perform according to the terms and conditions of the procured contracts or Agreements, and the terms and conditions of this Agreement.

40. NONDISCRIMINATION

The Subrecipient shall comply with 24 C.F.R. Part 6, which implements the provisions of section 109 of title I of the Housing and Community Development Act of 1974 (Title I) (42 U.S.C. § 5309). Section 109 provides that no person in the United States shall, on the ground of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any Program or activity funded in whole or in part with Federal financial assistance.

The Subrecipient shall adhere to the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101-6107) (Age Discrimination Act) and the prohibitions against discrimination on the basis of disability under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) (Section 504). Section 109 of the Housing and Community Development Act of 1974 makes these requirements applicable to Programs or activities funded in whole or in part with CDBG-DR funds. Thus, the Subrecipient shall comply with regulations of 24 C.F.R. Part 8, which implement Section 504 for HUD Programs, and the regulations of 24 C.F.R. Part 146, which implement the Age Discrimination Act for HUD Programs.

The Subrecipient shall ensure that all CDBG-DR activities conducted by itself or its contractors are consistent with the applicable federal and local legal provisions, regulations, and policies that prohibit discrimination on the basis of race, creed, color, national origin, religion, sex, disability, familial status, actual or perceived sexual orientation or gender identity, marital status, or age, as established in the CDBG-DR Fair Housing and Equal Opportunity (FHEO) Policy for CDBG-DR Programs.

41. ARCHITECTURAL BARRIERS ACT AND THE AMERICANS WITH DISABILITIES ACT

The Subrecipient shall ensure that its Activities are consistent with requirements of Architectural Barriers Act and the Americans with Disabilities Act.

The Architectural Barriers Act of 1968 (42 U.S.C. §§ 4151-4157) requires certain Federal and Federally funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that ensure accessibility to, and use by, physically handicapped people. A building or facility designed, constructed, or altered with funds allocated or reallocated under this part after December 11, 1995, and that meets the definition of “residential structure” as defined in 24 C.F.R. § 40.2 or the definition of “building” as defined in 41 C.F.R. § 101-19.602(a) is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. §§ 4151-4157) and shall comply with the Uniform Federal Accessibility Standards (appendix A to 24 C.F.R. Part 40 for residential structures, and appendix A to 41 C.F.R. Part 101-19, subpart 101-19.6, for general type buildings).

The Americans with Disabilities Act (42 U.S.C. § 12131; 47 U.S.C. § 155, 201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy no later than January 26, 1993, that are readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable—that is, easily accomplishable and able to be carried out without much difficulty or expense.

The Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 C.F.R. § 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

42. TITLE VI OF THE CIVIL RIGHTS ACT OF 1964 (24 C.F.R. PART 1)

a) General Compliance:

The Subrecipient shall comply with the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352), as amended and 24 C.F.R. §§ 570.601 and §570.602. No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any Program or activity funded by this Agreement. The specific nondiscrimination provisions at 24 C.F.R. § 1.4 apply to the use of these funds. The Subrecipient shall not intimidate, threaten, coerce, or discriminate against any person for the purpose of interfering with any right or privilege secured by title VI of the Civil Rights Act of 1964 or 24 C.F.R. Part 1, or because he has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under 24 C.F.R. Part 1. The identity of complainants shall be kept confidential except to the extent necessary to carry out the purposes of 2 C.F.R. Part 1, including the conduct of any investigation, hearing, or judicial proceeding arising thereunder.

b) Assurances and Real Property Covenants:

As a condition to the approval of this Agreement and the extension of any Federal financial assistance, the Subrecipient assures that the Program or activities described in this Agreement shall be conducted and the housing, accommodations, facilities, services, financial aid, or other benefits to be provided shall be operated and administered in compliance with all requirements imposed by or pursuant to this Agreement.

If the Federal financial assistance under this Agreement is to provide or is in the form of personal property or real property or interest therein or structures thereon, the Subrecipient's assurance herein shall obligate the Subrecipient or, in the case of a subsequent transfer, the transferee, for the period during which the property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits, or for as long as the recipient retains ownership or possession of the property, whichever is longer. In all other cases the assurance shall obligate the Subrecipient for the period during which Federal financial assistance is extended pursuant to the contract or application.

This assurance gives OHCS and the United States a right to seek judicial enforcement of the assurance and the requirements on real property.

In the case of real property, structures or improvements thereon, or interests therein, acquired with Federal financial assistance under this Agreement or acquired with CDBG-DR funds and provided to the Subrecipient under this Agreement, the instrument effecting any disposition by the Subrecipient of such real property, structures or improvements thereon, or interests therein, shall contain a covenant running with the land assuring nondiscrimination for the period during which the real property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.

If the Subrecipient receives real property interests or funds or for the acquisition of real property interests under this Agreement, to the extent that rights to space on, over, or under any such property are included as part of the Program receiving such assistance, the nondiscrimination requirements of this part 1 shall extend to any facility located wholly or in part in such space.

c) Women- and Minority-Owned Businesses (W/MBE)

The Subrecipient shall take the affirmative steps listed in 2 C.F.R. § 200.321(b)(1) through (6) to assure that minority businesses, women's business enterprises, and labor surplus area firms are used, when possible, when the Subrecipient procures property or services under this Agreement. As used in this Agreement, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. § 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian- Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

In compliance with the CDBG-DR Minority and Women-Owned Business Enterprise Policy (M/WBE Policy), the Subrecipient shall complete a utilization plan to identify how they plan on successfully achieving the contracting goals for MBE and WBE's. Subrecipient shall also complete monthly reporting to provide information on contracting opportunities and payouts provided to WBE or MBE contractors or subcontractors. Subrecipient shall also document their efforts and submit those to OHCS on a monthly basis. See the M/WBE Policy, as found in the ReOregon Website (<https://re.oregon.gov>) which is herein included and made integral part of this Agreement, as it may be updated from time to time.

d) Notifications

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

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

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

43. LABOR STANDARDS

The Subrecipient shall comply with the in labor standards in Section 110 of the Housing and Community Development Act of 1974, as amended, and ensure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under this Agreement shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis Bacon Act, as amended (40 U.S.C. § 3141, et seq.), and 29 C.F.R. Part 1, 3, 5, 6, and 7, provided, that this requirement shall apply to the rehabilitation of residential property only if such property contains not less than eight (8) units.

The Subrecipient agrees to comply with the (18 U.S.C. § 874) and it's implementing regulations of the U.S. Department of Labor at 29 C.F.R. Part 3 and part 5. The Subrecipient shall maintain documentation that demonstrates compliance with applicable hour and wage requirements. Such documentation shall be made available to OHCS for review upon request.

The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the Program for: political activities; inherently religious activities; lobbying; political patronage; or nepotism activities.

44. CITIZEN GRIEVANCES

If the Subrecipient receives any complaint or grievance, it shall refer said complaint or grievance immediately to the Program so that OHCS may respond appropriately within fifteen (15) business days of the receipt of the complaint.

45. TECHNICAL ASSISTANCE AND TRAININGS

The Subrecipient shall certify attendance for any and all technical assistance and/or applicable program trainings that the OHCS requires from time to time at its discretion. Failure to attend may be considered as cause for termination.

46. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT (URA)

Every project funded in part or in full by CDBG-DR funds, and all activities related to that project, are subject to the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, 42 U.S.C. § 4601 et seq., and section 104(d) of the Housing and Community Development Act of 1992, as amended (HCDA), 42 U.S.C. § 5304(d), except where waivers or alternative requirements have been provided by HUD. The implementing regulations for URA are at 49 C.F.R. Part 24, and the regulations for section 104(d) are at 24 C.F.R. Part 42, subpart C. Additionally, HUD has established regulations specific to CDBG-funded housing activities at 24 C.F.R. § 570.606. The primary purpose of these laws and regulations is to provide uniform, fair, and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects.

When CDBG-DR funds are planned, intended, or used for any activity or phase of a project and the phases are interdependent, URA applies to that activity or project. This includes any property acquisition, even if CDBG-DR funds are not used to fund the purchase, if the contract to acquire property is executed with the intention of seeking CDBG-DR funds to complete the project or an interdependent phase of the project.

Subrecipients are responsible for ensuring URA compliance throughout the design, proposal, and implementation of any project that includes real property acquisition or displacement of residential or business occupants.

47. ADDITIONAL SPECIFIC CONDITIONS

Notwithstanding the special conditions established in this Agreement and its exhibits, in accordance with 2 C.F.R. § 200.208, OHCS reserves the right and authority to impose additional specific conditions under any of the following circumstances:

- a) At the OHCS' sole discretion when OHCS finds that Subrecipient has a history of failure to comply with the general or specific terms and conditions applicable to the CDBG-DR funds allocated under this Agreement or any other agreement with OHCS.
- b) When Subrecipient fails to meet expected performance goals under this Agreement.
- c) When Subrecipient poses an increased risk for noncompliance based on factors including, but not limited to, financial stability, quality of management systems, history of performance under Federal awards, history of timeliness under Federal awards, history of conformance with terms and conditions of previous federal awards, and reports and findings from audits.
- d) When, in the OHCS' sole discretion, such conditions are necessary to ensure timely and compliant performance under the CDBG-DR Program.

Such additional specific conditions may include but are not limited to, withholding of authority to proceed to the next phase of an otherwise eligible Project, requiring additional detailed financial reports, requiring additional project monitoring, requiring the Subrecipient to obtain technical or management assistance, establishing additional prior approvals, or any other condition OHCS deems reasonable and necessary to safeguard Federal funds or the OHCS' interests.

Notice of additional specific conditions shall include, but not be limited to, the nature of the additional requirements, the reason why the additional requirements are being imposed, the nature of the action needed to remove the additional requirement (if applicable), and the time allowed for completion of the actions (if applicable).

48. USE AND REVERSION OF ASSETS

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 24 CFR Part 85 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

- a) The Subrecipient shall transfer to the Grantee any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
- b) Real property under the Subrecipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement [or such longer period of time as the Grantee deems appropriate]. If the Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Subrecipient shall pay the Grantee an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the Grantee. The Subrecipient may retain real property

acquired or improved under this Agreement after the expiration of the five-year period [or such longer period of time as the Grantee deems appropriate].

- c) In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Subrecipient for activities under this Agreement shall be (a) transferred to the Grantee for the CDBG program or (b) retained after compensating the Grantee [an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment].