

**SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF SALEM  
AND MID-VALLEY WOMEN'S CRISIS SERVICE  
FOR ACQUISITION OF 605 & 657 CENTER ST., SALEM OR 97301**

**Grant Number: B-12-MC-41-0004**

THIS AGREEMENT, made and entered into in duplicate by and between the City of Salem, an Oregon municipal corporation with offices located at 350 Commercial ST. NE, Salem, OR 97301 in Marion County, ("City"), and Mid-Valley Women's Crisis Service, An Oregon Non-Profit Corporation, with offices located at 795 Winter St. NE, Salem OR 97301 in Marion County, ("Subrecipient"), (collectively the "Parties").

**WITNESSETH:**

WHEREAS, City has entered into an agreement with the U.S. Department of Housing and Urban Development ("HUD") to execute and implement the Community Development Block Grant (CDBG) Program, B-12-MC-41-0004;

WHEREAS, under the CDBG Program, City contracts with public or private for-profit or non-profit investor developers or non-profit investor community housing development organizations to complete various eligible activities;

WHEREAS, Subrecipient is a not for profit, whose activities include acquisition of a public facility;

WHEREAS, City wishes to engage Subrecipient to assist City in utilizing CDBG funds;

NOW, THEREFORE, in consideration of the mutual promises, and obligations herein contained, including the Attachments, and subject to the terms and conditions hereinafter stated, the Parties understand and agree as follows:

**ARTICLE I  
Project**

- 1.1 **Project Description.** Funds provided by City under this Agreement shall be used for the acquisition of a public facility, for property located at 605 and 657 Center Street, Salem Oregon 97301(Property) ("Project").
- 1.2 **Project Funding.** City has allocated a maximum of three hundred thousand dollars (\$300,000), in 2012-2013 CDBG funds to be loaned for the Project.

**ARTICLE II  
Terms**

- 2.1 This is a non interest bearing, deferred payment loan that may be forgiven at the end of the 10 year affordability period if Subrecipient complies with all terms and conditions of this Agreement. The loan terms are as follow:
  - a. Interest Rate: 0%
  - b. Term: 10 years
  - c. Repayment: Loan must be repaid if the use of the structure changes within 10 years from the date the project submitted as complete to the US Department of Housing and Urban Development. If the property changes use prior to the completion date the Subrecipient agrees to repay the entire loan or the fair market value minus sales expenses, whichever is more.
  - d. Security: The Property will be secured by a Deed of Trust, Promissory Note and Covenant.
  - e. Special Conditions: Deferred payment status of this loan may be void if the Property falls below local building codes during the affordability period.

**ARTICLE III**  
**Scope of Service**

- 3.1 Subrecipient will be responsible for administering the Project in compliance with the Federal Programs Policies and Procedures, which are incorporated herein, and which may be amended in the City's sole discretion.
- 3.2 The Project will be conducted at the following address: 605 & 657 Center St., Salem OR 97301, Salem OR 97301.
- 3.3 All activities funded with CDBG funds must meet one of the CDBG program's National Objectives: benefit low-moderate income persons; aid in the prevention or elimination of slums or blight; or meet community development needs having a particular urgency, as defined in 24 CFR 570.208. The amount of assistance will be determined through the subsidy layering review when there are other sources of government funds.
- 3.4 Subrecipient certifies that the activity(ies) carried out under this Agreement will meet the National Objective of benefiting low-moderate income, presumed benefit individuals, Presumed benefit does not require income documentation, however the Subrecipient must provide documentation of the number of clients served, their income at the time services are rendered and race/ethnicity data
- 3.5 Any change in use of the Property must be approved by the City prior to the change being implemented.
- 3.6 City will monitor the performance of Subrecipient against goals and performance standards as stated in sections 3.1 through 3.5. Substandard performance as determined by City will constitute noncompliance with this Agreement, and may be cause for termination of this Agreement as set forth in Article XXXV. If action to correct such substandard performance is not taken by Subrecipient within a reasonable period of time after being notified by City, the Agreement may be terminated, and Subrecipient will be required to repay any funds already disbursed.

**ARTICLE IV**  
**Work Plan**

- 4.1 Subrecipient will take possession of the Property at a time determined by the seller and Subrecipient but no later than 30 days after the execution of this Agreement.

**ARTICLE V**  
**Budget**

- 5.1 Uses

Acquisition of Building	\$1,100,000
Closing Costs	\$ 12,122
<b>TOTAL</b>	<b>\$1,112,122</b>

5.2 Sources

City of Salem CDBG	\$ 300,000
Columbia Bank	\$ 812,122
<b>TOTAL</b>	<b>\$1,112,122</b>

**ARTICLE VI**  
**Payment**

- 6.1 It is expressly agreed and understood that the total amount to be paid by City under this Agreement shall not exceed three hundred thousand dollars (\$300,000). Payment requests for eligible expenses shall be made against the line item budgets specified in Article V herein and in accordance with performance. Pay requests must be submitted monthly unless otherwise authorized by City staff.
- 6.2 Subrecipient must supply all required supporting documentation with each payment request, through the City's webgrants system at salemgrants.org. This may include, but is not limited to; copies of proof of expenditure, proof of work completed, and client self-certification.
- 6.3 Payments may be contingent upon certification of Subrecipient's financial management system in accordance with standards specified in 24 CFR 84.21.
- 6.4 Release of final payment will be contingent on Project completion and a final desk audit review completed by City.
- 6.5 City shall, at Subrecipient's request, draw down funds from City's Letter of Credit with the United States Department of the Treasury to reimburse Subrecipient for Program costs incurred. Prior to funds reimbursement, Subrecipient will provide an invoice of costs incurred to-date in the City's webgrants system at salemgrants.org, with all required supporting information included and signed that is consistent with this agreement. Requests that are incomplete or not submitted in the correct format will be returned. Pay requests must be submitted monthly unless otherwise authorized by City staff. Once received, City will provide reimbursement up to a maximum of three hundred thousand dollars (\$300,000).

**ARTICLE VII**  
**Notices**

- 7.1 Notices required by this Agreement shall be in writing and delivered via mail, commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this Agreement shall be directed to the following representatives:

City

Rena Peck  
City of Salem, Urban Development Department  
350 Commercial St. NE  
Salem, OR 97301  
503.540.2446  
rpeck@cityofsalem.net

Subrecipient

Jayne Downing  
Executive Director  
Mid Valley Women's Crisis Service  
795 Winter St. NE  
Salem OR 97301  
503.378.1572  
jayne@hopeandsafety.org

**ARTICLE VIII**  
**Special Conditions**

- 8.1 The Subrecipient shall meet the requirements of 24 CFR 92.251 relating to property standards and all applicable local code requirements for the duration of this Agreement and any modifications or amendments or successor agreements thereto for the Affordability Period. Annual inspections are required and proof of annual inspections must be maintained in the Subrecipient's file.

**ARTICLE IX**  
**General Conditions**

- 9.1 Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning CDBG) including Subpart K of these regulations, except that (1) Subrecipient does not assume the environmental responsibilities described in 24 CFR 570.604 and (2) Subrecipient does not assume the responsibility for initiating the review process under the provisions of 24 CFR Part 52. Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

**ARTICLE X**  
**Hold Harmless**

- 16.1 Subrecipient shall defend, indemnify, and hold City harmless from and against any and all claims, suits, actions, debts, damages, costs, charges, and expenses, including court costs and attorneys fees, and against all liability, losses, and damages of any kind and nature whatsoever, including but not limited to property damage, personal injury, and wrongful death arising out of or in connection with Subrecipient's conduct of the Project under this Agreement.

**ARTICLE XI**  
**Employees Taxes**

- 16.1 Subrecipient shall defend, indemnify, and hold City harmless against all liability and loss in connection with and shall assume full responsibility for, payment of all federal, state, and local taxes or contributions imposed or required under unemployment insurance, Social Security, and income tax laws, with respect to Subrecipient's employees engaged in the performance of this Agreement.

**ARTICLE XII**  
**Worker's Compensation**

- 16.1 Subrecipient, its subcontractors, if any, and all employees working under this Agreement are subject to Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide workers' compensation coverage for all their subject workers.

**ARTICLE XIV**  
**Change of Use**

- 16.1 Real property under 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 ten (10) years after the completion of the project as determined by the City [or such longer period of time as City deems appropriate]. If Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the period of time defined in the agreement, Subrecipient shall pay City 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 City. Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the ten-year period [or such longer period of time as City deems appropriate].

**ARTICLE XV**  
**No Agency**

- 16.1 Subrecipient is an independent contractor and is not considered an agent, partner, or co-venturer of the City for any purpose, and employees of Subrecipient are not entitled to any of the benefits City provides for City's employees, including but not limited to retirement benefits, medical and dental insurance, workers' compensation insurance, and unemployment insurance.

**ARTICLE XVI**  
**Insurance & Bonding**

- 16.1 Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud, and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from City. Subrecipient shall obtain, maintain and provide a policy of liability insurance in form and coverage approved by the City, providing coverage is not less than \$1,000,000 "single limits" for bodily injury, personal injury, property damage, and \$2,000,000 Annual Aggregate and naming "the City of Salem, Oregon, its officers, agents and employees" as loss payee; and the Subrecipient shall, prior to commencing service, furnish to the City a certificate evidencing such coverage and any renewal of such coverage, and providing for not less than 30-day written notice to be given to the City in the event of cancellation or reduction in coverage. Flood insurance will be required if the project is in a designated flood zone as described in the Federal Emergency Management Agency Flood Hazard Boundary Maps or Flood Insurance Rate Maps.
- 16.1 Subrecipient shall obtain and maintain a policy of fire insurance with extended coverage endorsements on the basis of 100% of full replacement cost of all improvements, general liability (Bodily Injury and Property Damage) on an occurrence basis in a minimum amount of \$1,000,000 for bodily and property damage for a single occurrence and \$2,000,000 in the aggregate, with City listed as loss payee and additional insured in favor of the City of Salem it's Successors and or Assigns, Attn: Finance, 555 Liberty St. SE, Salem, OR 97301-3412, subject to City's acceptance of the insuring company. Certificate or policy should be sent to the above address. Flood insurance will be required if the project is in a designated flood zone as described in the Federal Emergency Management Agency Flood Hazard Boundary Maps or Flood Insurance Rate Maps.

**ARTICLE XVII**  
**City Recognition**

- 17.1 Subrecipient shall insure recognition of the role of City in providing services through this Agreement. All activities, facilities, and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement. Subrecipient agrees to allow use of project or Project photos or logos in City marketing materials unless a written request is submitted indicating otherwise.

**ARTICLE XVIII**  
**Amendments**

- 18.1 Except as provided by section 18.2 of this Agreement, this Agreement may be amended only by written instrument executed with the same formalities as this Agreement.
- 18.2 City may, in its discretion, amend this Agreement to conform with federal, state, or local governmental guidelines, policies and available funding amounts, or for other reasons, and shall promptly notify Subrecipient of any such amendments. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both City and Subrecipient.

**ARTICLE XIX**  
**Accounting Standards and**  
**Uniform Administrative Requirements**

- 19.1 Subrecipient agrees to comply with 24 CFR 84.21-28 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all cost incurred.
- 19.2 Subrecipient shall administer the Project in conformance with Office of Management and Budget (OMB) circulars A-122, "Cost Principles for Non-Profit Organizations." These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.
- 19.3 In the event, that during the period of this Agreement, Subrecipient expends more than five-hundred thousand (\$500,000) dollars in federal funds in an operating year from this and other federal grants, Subrecipient shall, at its own cost and expense, cause to be carried out an independent audit. The audit shall be completed, and a copy furnished to the City, within the earlier of thirty (30) days after receipt of the auditor's report(s) or nine (9) months after the end of the audit period, unless a longer period is agreed to in advance by the City. For purposes of this Agreement, an operating and/or audit year is the equivalent to the Subrecipient's fiscal year. The determination of when grant funds are expended is based on when the activity related to the expenditure occurs.
- 19.4 The audit shall be conducted in compliance with the Office of Management and Budget Circular No. A-133, as amended and 24 CFR Parts 44 and 45. In the event the audit shows that the entire funds disbursed hereunder, or any portion thereof, were not expended in accordance with the conditions of this Agreement, Subrecipient shall be held liable for reimbursement to the City of all funds not expended in accordance with these applicable regulations and Agreement provisions within thirty (30) days after the City has notified Subrecipient of such non-compliance.
- 19.5 If expenditure does not exceed five hundred thousand (\$500,000) dollars during an operating year, Subrecipient shall provide the City with its annual financial statement within nine (9) months after the end of the audit period. Said financial statement shall be prepared by an actively licensed certified public accountant.

**ARTICLE XX**  
**Documentation and Record Keeping**

- 20.1 Subrecipient shall maintain all records required by federal regulations specified in 24 CFR 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:
- a. Records providing a full description of each activity undertaken;
  - b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
  - c. Records required that determine the eligibility of activities or clientele;

- d. Records required to document the acquisition, improvement, use, or disposition of real property acquired or improved with CDBG assistance;
- e. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
- f. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

- 20.2 Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of five (5) years after Project close out as determined by the City. The retention period begins on the date of the submission of City's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.
- 20.3 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 City monitors or their designees for review upon request. Due to the nature of the clients served the names and addresses of these clients may be blocked from the City monitors. Information must be retained for five (5) years after Project close out.
- 20.4 Subrecipient understands that client information collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of City's or Subrecipient's responsibilities with respect to services provided under this Agreement, is prohibited by the ORS 192.445 unless written consent is obtained from such person receiving service and in the case of a minor, that of a responsible parent/guardian. Subrecipient's obligations under this subsection shall survive the expiration or termination of this Agreement as required by state law.
- 20.5 Subrecipient's obligation to City shall not end until all closeout requirements are completed. Activities during this closeout period shall include, but are not limited to; making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to City), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that Subrecipient has control over CDBG funds, including program income.
- 20.6 City, the United States Department of Housing and Urban Development, the Comptroller General of the United States, or their authorized representatives, shall have access to all books, documents, papers, and records of Subrecipient which are relevant to this Agreement for the purpose of making audit, examination, excerpts, copies, and transcriptions.

#### **ARTICLE XXI**

##### **Reporting and Payment Procedures**

- 21.1 Subrecipient shall report quarterly all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this Agreement. The use of program income by Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, Subrecipient may use such income during the term of this Agreement for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balance on hand. All unexpended program income shall be returned to City upon termination of this Agreement. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to City.
- 21.2 If indirect costs are a budget line item, City will not reimburse such expenses with CDBG funds. Indirect costs will need to be paid from an alternative funding source.

21.3 City will pay to Subrecipient funds available under this Agreement based upon information submitted by Subrecipient and consistent with any approved budget and City policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by Subrecipient, and not to exceed actual cash requirements. In addition, City reserves the right to liquidate funds available under this Agreement for costs incurred by City on behalf of Subrecipient.

21.4 Subrecipient shall submit regular quarterly progress reports on the City of Salem's Webgrants System at salemgrants.org, with accurate content, pursuant to the Reporting Schedule set forth below:

Quarter 1	July 1st to September 30th	Due: October 10th
Quarter 2	October 1st to December 31st	Due: January 10th
Quarter 3	January 1st to March 31st	Due: April 10th
Quarter 4	April 1st to June 30th	Due: July 10th

Failure to submit quarterly progress reports in a timely manner may delay the next requested disbursement.

## **ARTICLE XXII**

### **Procurement**

22.1 The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 24 CFR Part 84 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

22.2 Subrecipient shall transfer to City 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.

22.3 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 Subrecipient for activities under this Agreement shall be (a) transferred to City for the CDBG program or (b) retained after compensating City (an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment).

## **ARTICLE XXIII**

### **Personnel and Participant Conditions**

23.1 Subrecipient agrees to comply with local and state civil rights ordinances and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Article 104(b) and Article 109 of Title I of the Housing and Community Development Act of 1974 as amended, Article 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107, and 12086.

23.2 Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Article 109 of the HCDA are still applicable. Subrecipient also agrees to comply with non-discrimination in the sale, rental or financing of housing.

23.3 This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements



erected or to be erected thereon, providing that City and the United States are beneficiaries of and entitled to enforce such covenants. Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

- 23.4 Subrecipient agrees to comply with all federal regulations issued pursuant to compliance with Article 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any federally assisted program. City shall provide Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.
- 23.5 Subrecipient agrees that it shall be committed to carry out pursuant to City's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966, for projects with five (5) or more housing units. Subrecipient shall submit a plan for an Affirmative Action Program for approval thirty (30) days after the award of funds.
- 23.6 Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the terms "small business" means a business that meets the criteria set forth in Article 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. Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.
- 23.7 Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.
- 23.8 Subrecipient will include the provisions of Article 21.1-21.7, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own Subrecipients or subcontractors.
- 23.9 Subrecipient agrees to comply and will ensure the compliance of its employees, agents, and subcontractors with Salem Revised Code Chapter 97.

#### **ARTICLE XXIV** **Employment Restrictions**

- 24.1 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; and nepotism activities.
- 24.2 Subrecipient, contractors, and subcontractors agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. 276a-276a-5) as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable federal, state, and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. Subrecipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. Any contracts executed as a result of this Agreement may also be subject to the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332). Subrecipient shall provide bid documents for City review prior to publication or funds allocated may be jeopardized. Subrecipient must require contractors, subcontractors and payroll staff to attend a preconstruction meeting prior to the commencement of work. Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part, pay employees on a weekly basis and submit weekly certified payrolls. Such documentation shall be made available to City for review upon request. All subrecipients with projects triggering Davis Bacon must submit the Contract and Subcontract Activity Form

Exhibit C and Section 3 Summary Report Exhibit D attached hereto and incorporated herein by this reference, at the time of project close out and prior to final funds being disbursed.

- 24.3 Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000 for construction, renovation, or repair work financed in whole or in part with assistance provided under this contract, shall comply with federal requirements adopted by City pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve Subrecipient of its obligation, if any, to require payment of the higher wage. Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

## **ARTICLE XXV**

### **Other Program Requirements**

- 25.1 Non-discrimination, Equal Opportunity and Required Postings: In carrying out this Agreement, the Subrecipient shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, familial status, handicap, or national origin. The Subrecipient shall take the necessary steps to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, age, familial status, handicap, 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. The Subrecipient shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the government setting forth the provisions of this non-discrimination clause. The Subrecipient, upon execution of this Agreement, shall agree that all qualified candidates will receive consideration for employment without regard to race, color, religion, sex, age, familial status, handicap, or national origin. The Subrecipient shall comply with all City of Salem Ordinances, including Salem Revised Code, Chapter 97, and with all Federal regulations regarding Equal Opportunity Fair Housing, Fair Labor Standards Act (FLSA) and Family and Medical Leave Act (FMLA), The Equal Employment Opportunity (EEO) and all required state postings must be on display in a visible area. For projects triggering Davis Bacon Laws, the Contract work Hours and Safety Standards Act and Wage Determination for that project must also be posted at the job site. For employers with more than 15 employees, the nondiscrimination of those with disabilities (ADA requirements) is also required.
- 25.2 Disclosure Requirements: Accurate, current and complete disclosure of the financial results of activities under this Agreement is required in accordance with generally accepted business practice. If Subrecipient accounting records are maintained on a cash basis, Subrecipient must develop information of accounts payable and accounts receivable through an analysis of the documents in the file, or on the basis of its best estimates.
- 25.3 Debarred, Suspended, or Ineligible Contractors: No award of the contracts covered under Article XIX of this Agreement shall be made to any contractor who is at the time ineligible under the provisions of any applicable regulations of City, Marion County or the Federal Government to receive an award of such contract. Documentation that contractors and subcontractors have been deemed eligible must be provided to the City prior to project commencement.
- 25.4 Drug Free Work Place: The Subrecipient will provide a drug-free workplace by:
- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

- b. Establishing an ongoing drug-free awareness program to inform employees about:
  - i) The dangers of drug abuse in the workplace;
  - ii) The Subrecipient's policy of maintaining a drug-free workplace;
  - iii) Any available drug counseling, rehabilitation, and employee assistance programs; and;
  - iv) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a).
- d. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will;
  - i) Abide by the terms of the statement; and;
  - ii) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- e. Make good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), and (e).

- 25.5 Displacement, Relocation, and Acquisition: If applicable, Subrecipient agrees to provide relocation assistance for displaced persons at the levels described in and in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C.4201 to 4655) and 49 CFR, Part 24.
- 25.6 Lead-Based Paint: If applicable, the Subrecipient agrees that no lead-based paint will be used in the rehabilitation of the property and that loan funds will be used, if necessary, to eliminate lead-based hazards per Section 401 of the Lead-Based Paint Poisoning Prevention Act, (42 U.S.C. 4831 (b)). The construction or rehabilitation of residential structures with assistance provided under this Agreement is subject to the HUD Lead-Based Paint regulations, 24 CFR Part 35 as well as the "Lead-Safe Housing Rule" (Title X, Housing and Community Development Act of 2000). All properties built before January 1, 1978, must have a lead based paint exam of all interior and exterior surfaces and report defective conditions. If lead based paint is located, all lead affected surfaces must be abated and a clearance report submitted once abatement is completed.
- 25.7 Affirmative Marketing: All projects or programs receiving federal funds must be fairly marketed. Marketing plans must be submitted during the application period and be kept current during the affordability or agreement period.
- 25.8 Accessibility: All programs must be made accessible or reasonable accommodations made and all housing projects must meet federal accessibility requirements, including sensory impairment accessibility.
- 25.9 Other Federal Requirements: Program shall agree to apply with other applicable federal statutes and regulations, a listing of which is attached hereto as Exhibit E and incorporated herein by this reference.
- 25.10 Citizenship Documentation: Verification of citizenship or qualified alien status is required if the assistance or payment is made to individuals, households or families. Copies of the follow documents can be used to verify citizenship status: birth certificate, passport, birth abroad, or a certificate of naturalization or citizenship. 1996 Personal Responsibility and Work Opportunity Reconciliation Act (Redirected from 1996 Welfare Reform Act).

## ARTICLE XXVI

### "Article 3" Clause

- 26.1 Compliance with the provisions of Article 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the federal financial assistance provided under this

contract and binding upon City, Subrecipient, and any of Subrecipient's subcontractors. Failure to fulfill these requirements shall subject City, Subrecipient, and any of Subrecipient's subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which federal assistance is provided. Subrecipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

- 26.2 Subrecipient further agrees to comply with these "Article 3" requirements and to include the following language in all subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct federal financial assistance from HUD and is subject to the requirements of Article 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Article 3 requires that to the greatest extent feasible opportunities for training and employment be given to low and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located."

- 26.3 Subrecipient further agrees to ensure that opportunities for training and abatement of lead-based paint hazards, housing construction, or other public construction project are given to low and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low and very low-income residents within the service area or the neighborhood in which the project is located, and to low and very low-income participants in other HUD programs.
- 26.4 Subrecipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.
- 26.5 Subrecipient will include this Article 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not hire any subcontractor unless the entity has first provided it a preliminary statement of ability to comply with the requirements of these regulations.

## **ARTICLE XXVII**

### **Conduct**

- 27.1 Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of City thereto; whose consent may be withheld in its sole discretion; provided, however, that claims for money due or to become due to Subrecipient from City under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to City.
- 27.2 Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of City prior to the execution of such agreement.
- 27.3 Subrecipient will monitor all subcontracted services on a regular basis to assure Agreement compliance. Results of monitoring efforts shall be summarized in written reports, the quarterly progress reports, and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.
- 27.4 Subrecipient shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

## **ARTICLE XXVIII**

### **Political Activities**

- 28.1 Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

## **ARTICLE XXIX**

### **Conflict of Interest**

- 29.1 In the procurement of labor, supplies, equipment, construction, and services by the Subrecipient or by any subcontractor, the conflict of interest provisions in 24 CFR 85.36 and 24 CFR Part 84 (the revised OMB Circular A-110) shall be adhered to, to the extent applicable. No persons can obtain a financial interest or benefit from a CDBG assisted activity. No subrecipient, developer or contractor of a project assisted with CDBG funds can occupy a CDBG affordable housing unit.
- 29.1 No Subrecipients or subcontractors receiving CDBG funds may obtain personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement. This applies to individuals, board members, family members or any business ties during the Project tenure or for one year thereafter. Any subrecipient or subcontractor in a position to participate in a decision making process or gain inside information with regard to such activities, shall maintain a written code or standard of conduct that shall govern the performance of its officers, employee, or agents engaged in the award and administration of contracts supported by federal funds.
- 29.3 Subrecipient shall maintain a written code or standard of conduct that shall govern the performance of its officers, employee, or agents engaged in the award and administration of contracts supported by federal funds.

## **ARTICLE XXX**

### **Lobbying**

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

- 30.2 If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and,
- 30.3 It will require that the language of 30.4 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.
- 30.4 Lobbying Certification: This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Article 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

#### **ARTICLE XXXI** **Religious Activities**

- 31.1 Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.
- 31.2 Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the CDBG program. For projects or programs receiving federal funding, all religious activities must be voluntary and housing must be separate from religious activities. Faith based organizations can retain independence but are not required to form separate organization.

#### **ARTICLE XXXII** **Heading and Subheadings**

- 32.1 The Article headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

#### **ARTICLE XXXIII** **Severability**

- 33.1 Invalidation of any term or provision herein by judgment or court order shall not affect any other provisions, which shall remain in full force and effect.

#### **ARTICLE XXXIV** **Venue**

- 34.1 This Agreement shall be governed by the laws of the State of Oregon without regard to conflict of law principles. Exclusive venue for litigation of any action arising under this Agreement shall be in the Circuit Court of the State of Oregon for Marion County unless exclusive jurisdiction is in federal court, in which case exclusive venue shall be in the federal district court for the district of Oregon. Each party expressly waives any and all rights to maintain an action under this Agreement in any other venue, and expressly consents that, upon motion of the other party, any case may be dismissed or its venue transferred, as appropriate, so as to effectuate this choice of venue.

#### **ARTICLE XXXV** **Entire Agreement**

- 35.1 This Agreement constitutes the entire agreement between City and Subrecipient for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between City and Subrecipient with respect to this Agreement.

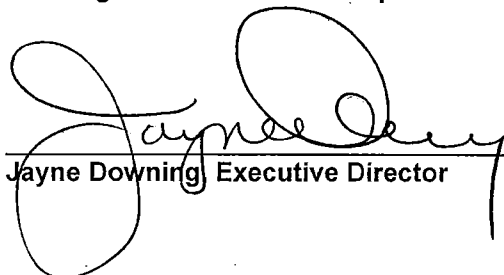
- 35.2 Penalties for failure to comply are considered a default on this agreement and may result in delays or discontinued reimbursements, increased reporting or monitoring or being ineligible for future CDBG funding.
- 35.3 No change, modification, or waiver of any provision in this Agreement shall be valid or binding upon the parties hereto unless such change, modification or waiver shall be in writing signed by all parties hereto.

**ARTICLE XXXVI**  
**Termination/Withdraw**

- 36.1 For purposes of this Agreement, cause shall mean material breach of the terms and conditions of this Agreement. Either party, believing it has cause to terminate the Agreement, shall give written notice of not less than ten (10) days, specifying the cause and the date selected for termination; and, if the breach is not remedied within ten (10) days, or other greater period of time as specified within the notice, either party may terminate the relationship.
- 36.2 If the breach is not remedied within ten (10) days either party may withdraw from this Agreement for cause upon the giving of not less than thirty (30) days written notice of the date selected for withdrawal.
- 36.3 Notwithstanding any other provision of this Agreement, City may suspend or terminate this Agreement upon event of default, inability, or failure to perform any material term of this Agreement on the part of Subrecipient.
- 36.4 Unless sooner terminated under this Article or by mutual agreement of the Parties, this agreement will terminate ten years from the date of execution.

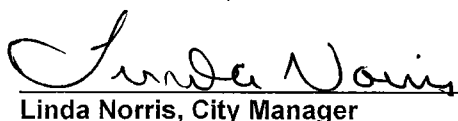
IN WITNESS WHEREOF, the parties hereto duly execute this agreement, and it becomes effective, as of the day and year last signed below.

**Mid-Valley Women's Crisis Service,  
An Oregon Not-For-Profit Corporation**

  
\_\_\_\_\_  
Jayne Downing, Executive Director

7-10-13  
\_\_\_\_\_  
Date

City of Salem,  
CITY OF SALEM, SALEM OREGON

  
\_\_\_\_\_  
Linda Norris, City Manager

7/23/2013  
\_\_\_\_\_  
Date

Below are forms addressed in the Agreement. Originals can be obtained at the City of Salem, Urban Development Department, Federal Programs Division website:

[www.cityofsalem.net/DEPARTMENTS/URBANDEVELOPMENT/FEDERALPROGRAMS/Pages/Forms.aspx](http://www.cityofsalem.net/DEPARTMENTS/URBANDEVELOPMENT/FEDERALPROGRAMS/Pages/Forms.aspx)

<b>Exhibit A</b>	<b>Client Eligibility Form (#S1-08 or #S-09)</b>
<b>Exhibit B</b>	<b>Program Income Limits (#S1-01a)</b>
<b>Exhibit C</b>	<b>Contractor and Subcontractor Report (#DB-18, Davis Bacon projects only)</b>
<b>Exhibit D</b>	<b>Section 3 Summary Report (#DB-19, Davis Bacon projects only)</b>
<b>Exhibit E</b>	<b>Other Federal Requirements (ATTACHED)</b>



**HOME Investment Partnerships Program**

- 24 CFR Part 92, Complete rules and requirements for HOME program

**Audit Requirements**

- 24 CFR Part 44; State and Local Government audit requirements
- 24 CFR Part 45; Institutions of Higher Education and Other Non-profit investor Institutions

**Uniform Administrative Requirements 92.505; financial standards, internal control, use of federal funds**

- 24 CFR Part 85; OMB Circular A-87, Government Entities financial and accounting compliance
- OMB Circular A-122; CFR Part 84, Nonprofit entities financial and accounting compliance
- 24CFR Part 84.21, Both entities, financial and accounting compliance

**Affirmative Marketing Plan**

- 24 CFR.200.625, Regulations regarding outreach to those least likely to apply

**Fair Housing and accessibility**

- Fair Housing Act 24 CFR Part 100, Restricts discrimination or access or participation under any program or activity receiving federal financial assistance

**Non-Discrimination in Federally Assisted Programs**

- Title VI of the Civil Rights Act of 1964, - 24 CFR Part 1, Prohibits discrimination on the basis of race, color, or national origin in all HUD-assisted programs
- Title 41 Public Contracts and Property Management; 41 CFR Part 60, Equal opportunity employment practices.
- Article 104(b) and Article 109 of Title I of the Housing and Community Development Act of 1974 as amended

**Discriminatory Conduct under the Fair Housing Act**

- Title VI of the Civil Rights Act of 1968, as amended "Fair Housing Act" 2; Requires, to the greatest extent feasible, that recipients of HUD funds (and their contractors and subcontractors) provide jobs and other economic opportunities to low-income persons, particularly public housing residents
- USC 3601; United States Code that enforces the Federal Housing Act
- 24 CFR Part 100; Requires compliance with the non-discrimination provisions of Federal civil rights laws, including Section 504 of the Rehabilitation Act and the Fair Housing Act and implementing regulations regarding Americans With Disabilities Act

**Conflict of Interest**

- Procurement, 24 CFR 85.36; All procurement procedures must reflect applicable State and local laws and regulations and conform to applicable Federal law and the standards identified in this section
- Codes of Conduct 24 CFR Part 84; Uniform administrative requirements for Federal grants and agreements awarded non-profit organizations

**Equal Opportunity in Housing**

- Executive Order 11063; Prevention of discrimination
- 24 CFR. Part 107; Equal housing opportunities

**Non-Discrimination Based on Age or Handicap**

- Subtitle A, Title II, American with Disabilities Act of 1990; Parts 35 & 36, Prohibits discrimination against individuals with disabilities
- Age Discrimination Act of 1975, as amended; 24 CFR Part 146; Prohibits discrimination based on age
- Section 504 of the Rehabilitation Act of 1973; 24 CFR Part 8; Prohibits discrimination based on disability in any program or activity receiving federal financial assistance, including the sale, rental or financing of housing

**Employment and Contracting Opportunities**

- Section 3 of the Housing and Urban Development Act of 1968, 24 CFR Part 135, Helps create employment for low-income persons and provides contracting opportunities for businesses that are owned by low-income people or that provide employment to low-income people

**Minority/Women's Business Enterprise**

- Executive Orders 11625; 12138; Outreach to ensure efforts are made to attract minority groups to the procurement process
- 24 CFR Part 85 Subpart C Section 36(e); Procurement code of standards, conflicts of interest

**Lead Based Paint Poisoning Prevention**

- 24 CFR Part 35; Provisions regarding lead based paint abatement and disclosure

**Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction**

- HUD 4010 Federal Labor Standards Provisions; Wage, payment, overtime, withholding and other payroll Requirements
- Davis Bacon Act 29 CFR Parts 1, 3, 5, 6, and 7; Requirements triggered with 12 or more units
- Fair Labor Standards Act of 1938; Dictates wage and labor standards for federal projects
- Copeland Anti-Kickback Act; Requires employees paid weekly, deductions are permissible and contractors maintain and submit weekly certified payroll
- Contract Work Hours and Safety Standards Act (CWHSSA); Coverage threshold for overtime and health and safety provisions
- 24 CFR 92.354; Regarding construction contracts, volunteers cannot receive direct compensation
- General Provisions, 24 CFR Part 135, Volume 1; Provisions required in contracts
- Relating to the Use of Volunteers, 24 CFR Part 70; Family members who provide labor in exchange for acquisition of a property for homeownership in lieu of, or as a supplement to, rent payments
- 24 CFR 92.354 (a)(2); Davis-Bacon requirements when HOME funds provide down payment assistance to individual homebuyers
- HOME: National Affordable Housing Act of 1990 (NAHA) Section 286; Use of prison inmate labor
- 24 CFR Part 24; Contractor expectations, regarding use of disbarred, suspended or ineligible contractors
- 29 CFR 5.12(a)(1); Requires verification that contractors are eligible to work on projects
- Wage Decision; Identifies prevailing hourly wage requirements for all laborers working on a project

**Lobbying**

- 24 CFR Part 87; Compliance and restrictions on lobbying

**Displacement, Relocation Assistance and Real Property Acquisition**

- 49 CFR Part 24; Relocation and acquisition requirements
- 24 CFR Part 42 Regulations that implement section 104(d); Replacement, on a one-for-one basis, of demolished or converted low-moderate income dwellings and provision of relocation assistance

**National Flood Insurance**

- Flood Disaster Protection Act of 1973; Insurance requirements for properties located in flood hazard areas
- 42 U.S.C. 40001; Congressional findings on the necessity for flood insurance program
- National Environmental Policy; Requires consideration of environmental impacts of proposed federal projects
- 24 CFR 58; Requires property be free of hazardous materials, contamination, or substances that could affect health and safety of occupants

**Environmental Review**

- 24CFR58; Environmental procedures and policies for all federal projects

**Uniform Relocation Act**

- 49 CFR Part 24, 24 CFR Part 42, ([www.fhwa.dot.gov/realestate/act.htm](http://www.fhwa.dot.gov/realestate/act.htm)). Relocation requirements and policies
- 104(d) ([www.hud.gov/offices/cpd/affordablehousing/training/web/relocation/section104d.cfm](http://www.hud.gov/offices/cpd/affordablehousing/training/web/relocation/section104d.cfm)). Minimum requirements when units are demolished or converted to a use other than low- or moderate-income dwellings

**OTHER REQUIREMENTS**

1. Upon request by City, Subrecipient shall execute and deliver to City a certificate of compliance with the Architectural Barriers Act of 1968 and Section 504 of the Rehabilitation Act of 1973. City may also require a certificate of compliance from an architect, engineer, or other third party acceptable to City.
2. If requested, Subrecipient shall provide satisfactory evidence that the Property complies with all applicable zoning, building, use and other governmental requirements and that all licenses, permits and agreements necessary for the lawful use and operation of the Property have been obtained. Required evidence may include, without limitation, copies of building permits and/or certificates of occupancy.
3. At City's discretion, City may require that the funds be closed in escrow.
4. This commitment supersedes all prior oral or written negotiations, understandings, representations and agreements between the parties with respect to the Loan and Grant and may not be changed without the written agreement of Subrecipient and City.
5. City may at its option, declare this Agreement to be in default if (a) there is any material adverse change in the financial condition of Subrecipient or in the Property, (b) there is any change in the management or in the ownership or capital stock in Subrecipient, (c) a proceeding under any bankruptcy or insolvency laws is commenced by or against Subrecipient, (d) any material representation or warranty shall prove to have been false when made by Subrecipient, (e) Subrecipient fails to disclose any material facts, or comply with any terms of this commitment, or (f) City discovers any information which City reasonably determines has a negative effect on the proposed transaction.
6. This commitment is solely for the benefit of Subrecipient and City and City's successors and assigns and shall not inure to the benefit of, or be relied upon by any other person or entity.
7. All information, documents and instruments required to be executed, delivered or provided to City shall be in form and substance reasonably satisfactory to City.

