CITY

City of Everett
Community Development Block Grant Program CFDA # 14.218
Subrecipient Agreement

1.	City:	**The City of Everett** which is hereafter referred to as "City"
2.	Subgrantee:	**Senior Services of Snohomish County**
3.	Address:	**11627 Airport Road, Suite B Everett WA 98204-8714**
4.	Phone:	**(425) 265-2280**
5.	Contact Person:	**Dale Miller**
6.	DUNS #	**085 192 730**
7.	EIN/TIN #	**91-0910680**
8.	Title of Service or Program being Funded:	**Home Repair**
9.	Community Development Block Grant (herein after referred to as "CDBG") Program Year:	**2017**
10.	Time of Performance:	
	Beginning:	**July 1, 2017**
	Ending:	**June 30, 2018**
11.	Amount of Agreement/Grant Award:	**$100,000.00**

12. This Agreement/grant award and the rights and obligations of both parties hereto shall be subject to and governed by the following, incorporated by reference herein as is fully set forth:

    (1) Scope of Service attached hereto or Exhibit "A".

    (2) General Terms and Conditions attached hereto or Exhibit "B".

RECEIVED
NOV 01 2017
CITY OF EVERETT
PLANNING DEPT

This Agreement constitutes the entire Agreement between the parties. Either party may request modifications in the scope of services, project duration, performance or reporting standards, or other terms or conditions herein. Proposed modifications, which are mutually agreed upon, shall be incorporated by written amendment to this contract signed by both parties. The City and Subgrantee agree that this Agreement shall be modified if necessary to achieve compliance with HUD requirements.

IN WITNESS THEREOF the parties have executed this Agreement as of the day and year indicated below.

Ray Stephanson
Mayor, City of Everett

12-22-2017
Date

Attest: Sharon Table
City Clerk

12-22-2017
Date

Approved as to form:

Jamie D. Iles
City Attorney

12/20/17
Date

For the Subgrantee:

Signature

10/25/17
Date

CEO
Title

Signature

Exhibit "A"
Scope of Services, Time of Performance, Budget, Payment, Notices, and Representatives

I. Scope of Service

A. Activities/Project Description

The Subgrantee will be responsible for administering the Home Repair program in a manner satisfactory to the City and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant Program:

Program Delivery

Activity:

Senior Services of Snohomish County, a private non-profit organization, operates the Home Repair program. This program helps low-income seniors and people with disabilities maintain their homes by providing critical health and safety repairs. The Home Repair program plans to serve 90 households under the terms of this contract.

Services provided by the Home Repair program may include minor plumbing and electrical repairs, furnace repairs, minor pest control services, roof patching, window replacement, carpentry, sewer lines, grab bars, door locks, smoke alarms, handicap accessibility modifications and other health and safety related home repairs.

In order to coordinate services with City of Everett's CHIP program, Home Repair limits repairs to $1,000 (labor and materials) per contract year on single-family homes located on their own lots/property. Once this dollar amount is reached, the client is referred to the CHIP program. This amount may be increased by the City of Everett after the CHIP program reviews the property to assess if the property and client are eligible for CHIP funding. For clients who do not qualify for CHIP, with City of Everett pre-approval, additional work may be done by Minor Home Repair up to a $2,500 limit. (Under unusual circumstances, for residents who do not qualify for CHIP and with the preapproval of the City of Everett, Senior Services may exceed this limit.) For manufactured housing on leased land, Minor Home Repair may spend up to $2,500 per year.

Recipients of home repair services will be homeowners living within the city limits of Everett. Eligible homeowners are 62 years of age and older with incomes at or below 60% of area median income, and homeowners with disabilities 18 years of age and older with incomes at or below 60% of area median income.

The Home Repair program uses two (2) income-related categories to set priorities for work to be performed for eligible clients. Income Level I is households with incomes at or below 40% of median family income, which receive labor free of charge, but are asked to donate toward the cost of

materials. Income Level II is households with incomes between 40% and 60% of area median income, which pay for all materials, and are asked to donate toward the cost of labor.

General Administration
[Add description of general administrative services to be performed in support of activities noted above]

Senior Services of Snohomish County's general administrative functions include Executive, Finance, Human Resources, Information Technology, Contracting and Grants Management.

B. National Objectives

The Subgrantee certifies that the activities carried out with funds provided under this Agreement will meet one or more of the following CDBG National Objectives - 1) benefit low/moderate income persons, 2) aid in the prevention or elimination of slums or blight or, 3) meet community development needs having a particular urgency - as defined in 24 CFR Part 570.208. Briefly describe how this National Objective will be met.

C. Performance Monitoring

The City will monitor the performance of the Subgrantee against goals and performance standards required herein. Substandard performance as determined by the City will constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by the Subgrantee within a reasonable period of time after being notified by the City, contract suspension or termination procedures will be initiated.

D. Levels of Accomplishment - Goals and Performance Measures

In addition to the normal administrative services required as part of this Agreement, the Subgrantee agrees to provide the following levels of program services:

Activity	Units of Service* per Month	Total Units/Year
Work Orders	July - April = 10 May - June = 5	110

Total People or Households to be served	Total unduplicated Everett Residents or Households to be served
110	110

***Note:** *Provide definition of Units of Service, which may include such measures as units rehabbed, persons or households assisted, or meals served, here. If this is a construction project, please explain here how the improvements will be used and how they benefit the community, what the target population is for the project, etc.*

The Subgrantee agrees to track outcome performance measures as required by the U.S. Department of Housing and Urban Development and the City. The Subgrantee will report the outcomes to the City on at least a quarterly basis. Information and forms will be provided to the Subgrantee by the City for reporting this information.

E. Staffing

[Add Provide a list of staff and time commitments to be allocated to the activity specified in I.A. above]

Staff	FTE*
Program Director	0.1
Office Coordinator	0.1
Program Assistant	0.1
Office Assistant	0.1
Repair Specialist	0.1
Repair Specialist	0.1
Repair Specialist	0.1
Repair Specialist	0.1
Repair Specialist	0.1
Repair Specialist	0.06
Total	0.96

II. Time of Performance

Services of the Subgrantee shall start on the 1st day of July, 2017 and end on the 30th day of June, 2018. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Subgrantee remains in control of CDBG funds or other assets, including program income. The City may, at its discretion, extend the term of this Agreement to allow for the expenditure of unexpended funds.

III. Budget

Line Item:	Amount:
Salaries	45,154
Fringe	11,861
Office Space (Program only)	2,065
Utilities	469
Communications	610
Reproduction/Printing	94
Supplies and Materials	31,185
Mileage	352
Audit	
Other (Specify)	328
Indirect Costs (Specify)	7,882
Total	$100,000.00

Any indirect costs charged must be consistent with the conditions of Paragraph II (C)(2) in Exhibit B of this Agreement. In addition, the Grantee may require a more detailed budget breakdown than the one contained herein, and the Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee. Amendments to the budget must be approved in writing by both the Grantee and the Subrecipient.

IV. Payment

It is expressly agreed and understood that the total amount to be paid by the City under this Agreement shall not exceed $100,000.00. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in Paragraph III herein and in accordance with

performance. Expenses for general administration shall also be paid against the line item budgets specified in Paragraph III and in accordance with performance.

Payments may be contingent upon certification of the Subgrantee's financial management system in accordance with the standards specified in 24 CFR Part 84.21.

V. Notices

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), 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.

City	Subgrantee
Ross Johnson	Dale Miller
City of Everett Department of Planning & Community Development	Homage Senior Services
2930 Wetmore Avenue, Suite 8A	11627 Airport Road, Suite B
Everett, WA 98201	Everett WA 98204-8714
Voice: (425) 257-7185	Voice: (425) 265-2280
e-mail: rjohnson@everettwa.gov	e-mail: dmiller@sssc.org

Exhibit "B"
General Terms and Conditions

I. General Conditions

A. General Compliance

The Subgrantee agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart K of these regulations, except that (1) the Subgrantee does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) the Subgrantee does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Subgrantee also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Subgrantee further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. "Independent Contractor"

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subgrantee shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The City shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance as the Subgrantee is an independent Contractor.

C. Workers' Compensation

The Subgrantee shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement provided for by the Workers Compensation Act of the State of Washington.

D. Insurance & Bonding

Public Liability and Property Damage: The Subgrantee shall maintain during the life of this Contract public liability and property damage insurance covering the Subgrantee's services hereunder in the sum of not less than one million dollars ($1,000,000) combined single limits bodily injury/property damage. Insurance shall cover work done by the Subgrantee or subcontractors and shall protect, as additional insured, the City from suits or claims for damages arising from operations under this Agreement or actions of the Subgrantee, subcontractors, and employees either direct or indirect unless waived by the City's Planning Director or designee. Subgrantee shall provide the City with a certificate of insurance in a

form acceptable to the City Attorney and, by endorsement, naming the City, its officers, employees and agents as additional insured prior to performing any services pursuant to this agreement. The Subgrantee 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 the City.

The Subgrantee shall comply with the bonding and insurance requirements of 24 CFR Part 84.31 and 84.48, Bonding and Insurance.

E. Grantor Recognition

The Subgrantee shall insure recognition of the role of the 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, the Subgrantee will include a reference to the support provided herein in all publications made possible with funds made available under this A greement.

F. Amendments

The City or Subgrantee may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations, and approved by the Everett City Council. Such amendments shall not invalidate this Agreement, nor relieve or release the City or Subgrantee from its obligations under this Agreement.

The 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. 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 Subgrantee.

G. Contract Suspension or Termination

In accordance with 24 CFR 85.43, the City may suspend or terminate this Agreement if the Subgrantee materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;

2. Failure, for any reason, of the Subgrantee to fulfill in a timely and proper manner its obligations under this Agreement;

3. Ineffective or improper use of funds provided under this Agreement; or

4. Submission by the Subgrantee to the City reports that are incorrect or incomplete in any material respect.

In accordance with 24 CFR 85.44, this Agreement may also be terminated for convenience by either the City or the Subgrantee, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the City determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the City may terminate the award in its entirety.

H. Termination for Withdrawal, Reduction or Limitation of Funding

In the event that funding from the Federal government is withdrawn, reduced or limited in any way after the effective date of this contract, and prior to its normal completion, the City may summarily terminate this Contract as to the funds reduced or limited, notwithstanding any other termination provision of this Agreement. If the level of funding so reduced or limited is so great that the City deems that the continuation of the program covered by this Agreement is no longer in the best interest of the public, the City may summarily terminate this Agreement in whole notwithstanding any other termination provisions of this Agreement. Termination under this Section shall be effective upon receipt of written notice by the Subgrantee or its representative.

The City agrees to promptly notify the Subgrantee of any proposed reduction in funding by Federal or other officials. The Subgrantee agrees that upon receipt of such notice it shall take appropriate and reasonable action to reduce its spending in the affected funding area so that expenditures do not exceed the funding level which would result if said proposed reduction became effective.

I. Hold Harmless

The Subrecipient shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter called for in this Agreement.

II. Administrative Requirements

A. Financial Management

1. Accounting Standards: The Subgrantee agrees to comply with 24 CFR Part 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 costs incurred.

2. Cost Principles: The Subgrantee shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations", or A-21, "Cost Principles for Educational Institutions", as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

[NOTE: For the above sections, if the Subgrantee is a governmental or quasi-governmental agency, the applicable sections of 24 CFR Part 85, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," and OMB Circular A-87 would apply.]

B. Documentation and Record-Keeping

1. Records to be Maintained: The Subgrantee shall maintain all records required by the Federal regulations specified in 24 CFR Part 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 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 assistance;
   e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
   f. Financial records as required by 24 CFR Part 570.502, and 24 CFR Part 84.21-28; and
   g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

   The Subgrantee shall report this information quarterly on forms provided by the City.

2. Retention: The Subgrantee shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of the 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 four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

3. Client Data: The Subgrantee 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 its designees for review upon request.

4. Disclosure: The Subgrantee 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 the City's or Subgrantee's responsibilities with respect to services provided under this Agreement, is prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian, or unless required by law.

5. Property Records: The Subgrantee shall maintain real property inventory records which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform with the "changes in use" restrictions specified in 24 CFR Parts 570.503(b)(8), as applicable.

6. Close-Outs: The Subgrantee's obligation to the City shall not end until all close-out requirements are completed, notwithstanding any expiration or termination of this Agreement. Activities during this close-out 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 the City), and determining the custodianship of records. Not withstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subgrantee has control over CDBG funds, including program income.

   In the event that this Agreement is terminated in whole or part for any reason, the following provisions shall apply:

   a. Upon written request by the Subgrantee, the City shall make or arrange for payment to the Subgrantee of allowable reimbursable costs not covered by previous payments.

   b. The Subgrantee shall submit within thirty (30) days after the date of expiration of this Agreement all financial, performance and other reports required by this Agreement, and in addition, will cooperate in a program audit by the City of Everett or its designee.

   c. In the event a financial audit has not been performed prior to close-out of this Agreement, the City retains the right to withhold a just and reasonable sum from the final payment to the Subgrantee after fully considering the recommendation on disallowed costs resulting from the final audit.

7. Audits & Inspections: All Subgrantee records with respect to any matters covered by this Agreement shall be made available to the City, its designees or the Federal Government, at any time during normal business hours, as often as the City deems 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 Subgrantee within 30 days after receipt by the Subgrantee. Failure of the Subgrantee to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments. The Subgrantee hereby agrees to have an annual agency audit conducted in accordance with current City policy concerning Subgrantee audits and, as applicable, 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards).

C. Reporting and Payment Procedures

1. Program Income: The Subgrantee 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 the Subgrantee shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Subgrantee may use such income during the contract period for activities permitted under this Agreement and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unused program income shall be returned to the City at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury is not program income and shall be remitted promptly to the City.

2. Indirect Costs: If indirect costs are charged, the Subgrantee will develop an indirect cost allocation plan for determining the appropriate Subgrantee's share of administrative costs and shall submit such plan to the City for approval, in a form specified by the City.

3. Payment Procedures: The City will pay to the Subgrantee funds available under this Agreement based upon information submitted by the Subgrantee 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 the Subgrantee, and not to exceed actual cash requirements. Payments will be adjusted by the City in accordance with advance fund and program income balances available in Subgrantee accounts. In addition, the City reserves the right to liquidate funds available under this Agreement for costs incurred by the City on behalf of the Subgrantee.

4. Progress Reports: The Subgrantee shall submit regular Progress Reports to the City in the form, content, and frequency as required by the City.

D. Procurement

1. Compliance: The Subgrantee shall comply with current City policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the City upon termination of this Agreement.

2. OMB Standards: Unless specified otherwise within this agreement, the Subgrantee shall procure all materials, property, or services in accordance with the requirements of 24 CFR 84.40–48.

3. Travel: The Subgrantee shall obtain written approval from the City for any travel outside the Seattle/Everett area with funds provided under this Agreement.

E. 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 84 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. The Subgrantee shall transfer to the 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.

2. Real property under the Subgrantee'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 City deems appropriate]. If the Subgrantee fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Subgrantee shall pay the 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 the City. The Subgrantee 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].

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 the Subgrantee for activities under this Agreement shall be (a) transferred to the City for the CDBG program or (b) retained after compensating the 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].

III. Relocation, Real Property Acquisition and One-for-One Housing Replacement

The Subgrantee agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Ant displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in § 570.606(d) governing optional relocation policies. The Subgrantee shall provide relocation assistance to persons, as defined by 24 CFR 570.606(b)(2), that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project. The Subgrantee also agrees to comply with applicable City resolutions and policies concerning the displacement of persons from their residences.

IV. Personnel & Participant Conditions

A. Civil Rights

1. Compliance: The Subgrantee agrees to comply with Title VI of the Civil Rights Act of 1964 as amended; Title VIII of the Civil Rights Act of 1968, as amended; Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 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, 11478,12086, and 12107.

2. Nondiscrimination: The Subgrantee 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 Section 109 of the HCDA are still applicable.

3. Land Covenants: 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 602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this contract, the Subgrantee 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 the City and the United States are beneficiaries of and entitled to enforce such covenants. The Subgrantee, 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.

4. Section 504: The Subgrantee agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 706), which prohibits discrimination against the handicapped in any Federally assisted program. The City shall provide the Subgrantee with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Affirmative Action Plan: The Subgrantee agrees that it shall be committed to carry out an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965.

2. Women and Minority Owned Businesses W/MBE: The Subgrantee will use its best efforts to afford minority- and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this contract, 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 Subgrantee may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records: The Subgrantee shall furnish and cause each of its own contractors or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the City, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications: The Subgrantee 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 Subgrantee's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. Equal Employement Opportunity and Affirmitave Action (EEO/AA) Statement: The Subgrantee will, in all solicitations or advertisements for employees placed by or on behalf of the Subgrantee, state that it is an Equal Opportunity or Affirmative Action employer. The Subgrantee will include the appropriate Equal Opportunity logo and/or slogan in their institutional brochures.

The goal is the use of the Equal Opportunity logo or slogan as a part of the outreach effort which will help affirmatively further fair housing.

C. Employment Restrictions

1. Prohibited Activity: The Subgrantee is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; sectarian or religious activities; lobbying, political patronage, and nepotism activities.

2. Labor Standards: The Subgrantee agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act 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. The Subgrantee 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. The Subgrantee shall maintain documentation which demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the City for review upon request.

   The Subgrantee agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all Subgrantees engaged under contracts in excess of $2,000.00 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 the 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 journeyworkers; 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 the Subgrantee of its obligation, if any, to require payment of the higher wage. The Subgrantee shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

   Washington State Prevailing Wages: The Subgrantee shall comply with all applicable provisions of Chapter 39.12 of the Revised Code of Washington concerning prevailing wages, shall provide the City with all documents required therein, and shall pay not less than the prevailing rate of wage to such laborers, workers, or mechanics in each trade or occupation required for the work, whether performed by the Subgrantee, subcontractors, or other persons doing or contracting to do the whole or any part of the work subject to prevailing wages and contemplated by this Agreement. The execution date of this Agreement shall be the effective date for any prevailing wages required to be paid under this Agreement. The State of Washington prevailing wage rates applicable for this project, which is located in Snohomish County, may be found at the following website address of the Department of Labor and Industries:
   https://fortress.wa.gov/lni/wagelookup/prvWagelookup.aspx.

3. "Section 3" Clause

a. Compliance

Compliance with the provisions of Section 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 the City, the Subgrantee and any of the Subgrantee's subcontractors. Failure to fulfill these requirements shall subject the City, the Subgrantee and any of the Subgrantee's subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Subgrantee certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Subgrantee further agrees to comply with these "Section 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 Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 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."

The Subgrantee further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction 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.

The Subgrantee certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

The Subgrantee agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Subcontracts

The Subgrantee will include this Section 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. The Subgrantee 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 let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability: The Subgrantee shall not assign or transfer any interest in this Agreement without the prior written consent of the City thereto; provided, however, that claims for money due or to become due to the Subgrantee from the 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 the City.

2. Subcontracts:

a. Approvals

The Subgrantee shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the City prior to the execution of such Agreement.

b. Monitoring

The Subgrantee will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The Subgrantee shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Subgrantee shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to the City along with documentation concerning the selection process.

e. Debarment

The Subgrantee shall not contract with any business who has been debarred, suspended, or deemed ineligible to work with Federal funds as set forth in 24 CFR 570.609

3. Hatch Act: The Subgrantee 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 United States Code.

4. Conflict of Interest: The Subgrantee agrees to abide by the provisions of 24 CFR 570.611 with respect to conflicts of interest, and covenants that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. The Subgrantee further covenants that in the performance of this Agreement no person having such a financial interest shall be employed or retained by the Subgrantee hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the City, or of any designated public agencies or Subgrantees which are receiving funds under the CDBG Entitlement program.

5. Lobbying:

The Subgrantee hereby certifies that:

a. 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;

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, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

c. It will require that the language of paragraph (d) 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 Subgrantees shall certify and disclose accordingly:

d. 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 section 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.

6. Copyright: If this contract results in any copyrightable material or inventions, the City reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for government purposes.

7. Religious Organization: The Subgrantee 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.

V. Environmental Conditions

A. Air and Water

The Subgrantee agrees to comply with the following requirements insofar as they apply to the performance of this contract:

- Clean Air Act, 42 U.S.C., 7401, et seq.
- Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.
- Environmental Protection Agency (EPA) regulations pursuant to 40 C.F.R., Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), the Subgrantee shall assure that for activities located in an area identified by Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The Subgrantee agrees that any construction or rehabilitation of residential structures with assistance provided under this contract shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken.

D. Historic Preservation

The Subgrantee agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

VI. Notice to Proceed

No work on the program shall occur prior to the notice to proceed without written approval from the City. The City shall furnish the Subgrantee with written notice to proceed upon release of funds from HUD related to the project pursuant to 24 CFR Part 58.

VII. General Budget Provisions

The Subgrantee agrees to the following provisions in satisfying the terms and conditions of this Agreement:

A. Payment and Disbursements. Disbursements by the City from this contract/grant award shall be on a reimbursement basis covering actual expenditures by the Subgrantee or obligation of the Subgrantee currently due and owing, but not paid. Disbursements shall be limited to allowable costs and so shall be made upon the occurrence of both of the following, in addition to any other conditions contained herein or in the special conditions:

1. Receipt by the City of a written reimbursement request supported by copies of vouchers, invoices, salary and wage summaries, and other acceptable or other acceptable documentation; and

2. Determination by the City that the expenditures or obligations for which reimbursement is sought constitute allowable costs under Federal law and come within the Project Budget.

B. No payment shall be made for any service rendered by the Subgrantee except for services within the scope of a category set forth in the budget in Exhibit "A" of this Agreement, and all funds received must be used for service as identified in Exhibit "A" of this Agreement.

C.

1. The Subgrantee shall submit to the City a written request for approval of budget revision when a proposed revision would result in an increase or decrease of twenty percent (20%) or more in an approved budget subject category. Written budget revision approval must be received by the Subgrantee prior to the Subgrantee incurring any expenditures against the revised budget sub-object categories.

2. When the revision of the Subgrantee budget does not exceed twenty percent (20%) of an approved budget sub-object category, the Subgrantee must submit a revised budget to the City prior to the submittal of claims against the budget.

VIII. Billing Procedures

A. The Subgrantee shall submit no fewer than quarterly written claims for reimbursement of services performed under this Agreement in the manner prescribed in Section VII above, and as prescribed by the City.

B. Claims for reimbursement by the Subgrantee shall be submitted to the City by the 10th day of each month or quarter following the month or quarter during which the services were provided. **All claims will be submitted to: Ross Johnson, Department of Planning and Community Development, 2930 Wetmore Ave., Suite 8A, Everett, WA 98201,** unless otherwise directed by the City.

C. The City will not process claims for reimbursement until all supporting documentation is provided in the correct and proper format. The City reserves the right to withhold payments pending timely delivery of program reports or documents as may be required under this Contract.

IX. Licensing and Program Standards

The Subgrantee agrees to comply with all applicable Federal, State, County or Municipal standards for licensing, certification and operation of facilities and programs, and accreditation and licensing of individuals, and any other standards or criteria as described in the Contract to assure quality of services.

X. Budget Adjustments

A. The City reserves the right to withdraw such funds as the City may deem appropriate at any time while this Agreement is in effect from the Budget of the Subgrantee if the Subgrantee is not in the opinion of the City spending at a reasonable rate, is not providing services at a level consistent with the approved contract, is not providing proper reports, or is not maintaining adequate records

B. The City shall notify the Subgrantee in writing of a proposed transfer, at least ten (10) working days before the actual transference occurs.

XI. Local Financial Support

This Agreement shall not be utilized to reduce substantially the amount of local financial support for community development activities below the level of such support prior to the availability of such assistance.

XII. Budget Surplus

The Subgrantee agrees that funds determined by the City of Everett to be surplused at the end of the year within the budget of this Agreement will be subject to cancellation by the City of Everett and may be negotiated if they are to be included in future contracts.

XIII. Assignment and/or Subcontracting

The Subgrantee shall not assign or subcontract any portion of the services provided within the terms of this Agreement without obtaining prior written approval from the City. All terms and conditions of this Agreement shall apply to any approved subcontract or assignment related to the contract.

XIV. Standards for Fiscal Accountability

A. The Subgrantee agrees to maintain books, records, documents, accounting procedures, and practices which accurately reflect all direct and indirect costs related to the performance of this Agreement. Such fiscal books, records, documents, reports and other data shall be retained in a manner consistent with the "Budgeting, Accounting, Reporting System for Counties and Cities, and Other Local Governments", hereinafter referred to as "BARS", as issued by the Office of State Auditor, State of Washington. The Subgrantee further agrees that the City shall have the right to monitor and audit the fiscal components of the organization to insure that actual expenditures remain consistent with the terms of this Agreement. The Subgrantee shall retain all books, records, documents and other material relevant to the Agreement for three (3) years after settlement of this Agreement. The Subgrantee agrees that the City, the U.S. Department of Housing and Urban Development, the Washington State Auditor, or their designees, shall have full access to and right to examine any of said materials at all reasonable times during said period.

B. The Subgrantee agrees that any contributions or payments made for services furnished under this Agreement shall be used for the sole benefit of this program.

XV. Covenant Against Contingent Fees

The Subgrantee warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an Agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial or selling agency maintained by the Subgrantee for the purpose of securing business. The City of Everett shall have the right, in the event of breach of this clause by the Subgrantee, to annul this Agreement without liability or, in its discretion, to deduct from the Agreement price or consideration or otherwise recover the full amount of such commissioner, percentage, brokerage or contingent fee.

XVI. Conflict of Interest

A. In the event this Agreement is terminated because it is determined by the City that gratuities in the form of entertainment, gifts, or otherwise offered or given by the Subgrantee, or agent or representative of the Subgrantee, to any officer or employee of the City of Everett, with a view towards securing this Agreement or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to this Agreement.

B. The City shall be entitled to pursue the same remedies against Subgrantee as it could pursue in the event of a breach of the Agreement by the Subgrantee. The rights and remedies of the City provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law.

XVII. Nonassignability of Claims

No claim arising under this Agreement shall be transferred or assigned by the Subgrantee without written consent of the City.

XVIII. Rights in Data

The City may duplicate, use and disclose in any manner and for any purposes whatsoever, and have others so do, all data delivered under this Agreement. The Subgrantee hereby grants to the City a royalty-free, non-exclusive, and irrevocable license to publish, translate, reproduce, deliver, perform, dispose of, and to authorize others so to do, all data now or hereafter covered by copyright, provided, that with respect to data not originated in the performance of this Agreement, such license shall be only to the extent that the Subgrantee has the right to grant such license without becoming liable to pay compensation to others because of such grant. The Subgrantee shall exert all reasonable effort to advise the City at the time of delivery of data furnished under this Agreement, of all invasions of the right of privacy contained therein and of all portions of such data copied from work not composed or produced in the performance of this Agreement and not licensed under this clause. The Subgrantee shall report to the City promptly and in written detail each notice or claim of copyright infringement received by the Subgrantee with respect to all data delivered under this Agreement. The Subgrantee shall not affix any restrictive markings upon any data, and if such markings are affixed, the City shall have the right at any time to modify, remove, obliterate, or ignore such markings.

XIX. Relationship of the Parties

The parties intend that an independent Subgrantee/city relationship will be created by this Agreement. The City is interested only in the results to be achieved; the implementation of services will lie solely with the Subgrantee. No agent, employee, or representative of the Subgrantee shall be deemed to be an employee, agent, servant or representative of the City for any purpose, and the employees of the Subgrantee are not entitled to any of the benefits the City provides for City employees. The Subgrantee will be solely and entirely responsible for its acts and for the acts of its agents, employees, servants, subcontractors, or otherwise during the performance of this Agreement.

XX. Program Property

Any personal property having a useful life of more than one year and purchased wholly or in part with sub-grant funds from this Agreement at a cost of three hundred dollars ($300) or more per item shall upon its purchase or receipt become the property of the City. The Subgrantee shall be responsible for all such property, including its care and maintenance, and shall comply with the following procedural requirements:

A. Property records shall be maintained accurately and provide for: A description of the property; manufacturer's serial number of other identification number; acquisition date

and cost; source of the property; percentage of block grant funds used in the purchase of property; location, use, and condition of the property.

B. A physical inventory of property shall be taken and the results reconciled with the property records at least once every two years to verify the existence, current utilization, and continued need for the property.

C. A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft to the property. Any loss, damage, or theft of the property shall be investigated and fully documented.

D. Adequate maintenance procedures shall be implemented to keep the property in good condition.

E. If the Subgrantee elects to capitalize and depreciate such non-expendable personal property in lieu of claiming the acquisition cost as a direct item of cost, title to such property shall remain with the Subgrantee. An election to capitalize and depreciate or claim acquisition cost as a direct item of cost shall be irrevocable.

F. Non-expendable personal property purchased by the Subgrantee under the terms of this Agreement, in which title is vested in the City or Federal Government, shall not be rented, loaned, or otherwise passed to any person, partnership, corporation, association or organization without the prior express approval of the Department.

G. Any non-expendable personal property furnished to, or purchased by, the Subgrantee, title to which is vested in the City or federal government, shall, unless otherwise provided herein or approved by the City, be used only for the performance of activities defined in this Agreement.

H. The Subgrantee shall be responsible for any loss or damage to the property of the City of Everett or federal government (including expenses entered thereunto) which results from negligence, willful misconduct, or lack of good faith on the part of the Subgrantee to maintain and administer in accordance with sound management practices that property, to ensure that the property will be returned to the City or federal government in like condition to that in which condition the property was acquired by purchase, fair wear and tear accepted.

XXI. Rule of Construction

In the event of an inconsistency in this Agreement/grant award, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order:

1. Appropriate provisions of state and federal statutes and regulations including HUD Community Development Block Grant Regulations,

2. General Terms and Conditions (Exhibit B),

3. Those attachments incorporated by reference herein, including the statement of work/project description, approved HUD grant budget, in the order in which attached, and

4. Any other provisions whether incorporated by reference herein or otherwise provided that nothing herein shall be construed as giving preference to provisions of this Agreement/grant award over any provisions of law.

XXII. Venue Stipulation

This Agreement has been and shall be construed as having been entered into and delivered within the State of Washington, and it is mutually understood and agreed by each party hereto that this Contract shall be governed by laws of the State of Washington, both as to interpretation and performance.

Any action at law, suit in equity, or judicial proceeding for the enforcement of this Agreement or any provisions thereof shall be instituted and maintained only in any of the courts of competent jurisdiction at Everett in Snohomish County, Washington.

XXIII. Severability

It is understood and agreed by the parties hereto that if any part, term, or provision of this Agreement is held by the courts to be illegal, the validity of the remaining provisions shall not be affected; and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

If it should appear that any provision hereof is in conflict with any statutory provision of the United States or the State of Washington, said provision which may conflict, therewith, and shall be deemed modified to conform to such statutory provision.

XXIV. Open Public Board Meetings

All Board meetings of the Subgrantee in which a quorum of the board is present shall be open and all interested persons shall be permitted to attend. This does not include parts of meetings which deal with issues concerning matters including personnel, legal and property. Board meetings will be held at regularly scheduled times as determined by the Board.

XXV. Board Membership

The following information about the organization's Board of Directors/Trustees will be made available in a timely manner to those who request such information: (1) Name of Board Members; (2) Terms of appointment; and (3) the procedure for selection of Board Membership. Every effort will be made by the contracting agency to have local representation on their board.

XXVI. Minimum Length of Time for Intended Use

In order to meet the Department of Housing and Urban Development National Objections, property purchased or improved with CDBG funds must remain in the intended use for at least five years.

XXVII. Compliance with City Ordinance

The Subgrantee must comply with all City ordinances. No variance may be applied for property purchased or rehabilitated with funds provided through this Agreement. Those agencies using these funds to place people in housing will not refer or use units which are substandard or illegally created.

XXVIII. Quarterly Report

The Subgrantee agrees to submit quarterly, a written report to the City of Everett Planning and Community Development Department using a format provided by the City of Everett and in a manner prescribed by the City of Everett.

XXIX. Hold Harmless - Indemnification

All services to be rendered or performed under this Agreement will be performed or rendered entirely at the Subgrantee's own risk and the Subgrantee expressly agrees to indemnify, defend and hold harmless the City and all of its officers, agents, an employees, from any and all liability, claims, suits, charges, judgements, loss or damage, including reasonable cost of defense they may suffer as a result of claims, demands, actions, or damages to any and all persons or property, costs or judgments against the City, its officers, agents and/or employees which result from, arise out of, or are in any way connected with the services to be performed by the Subgrantee under this Agreement or the subject matter called for in this Agreement. This condition shall survive the expiration or termination of this Agreement.

XXX. Section Headings and Subheadings

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

XXXI. Waiver

The City's failure to act with respect to a breach by the Subgrantee does not waive its right to act with respect to subsequent or similar breaches. The failure of the City to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

XXXII. Entire Agreement

This agreement constitutes the entire agreement between the City and the Subgrantee 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 the City and the Subgrantee with respect to this Agreement.