

CITY OF REDLANDS
COMMUNITY DEVELOPMENT BLOCK GRANT
SUBRECIPIENT AGREEMENT

This agreement for Community Development Block Grant (“CDBG”) funding (“Agreement”) is made and entered into this 1st day of July, 2014 (“Effective Date”), between the City of Redlands, a California municipal corporation (“City”) and YMCA of the East Valley, a non-profit organization (“Subrecipient”). City and Subrecipient are sometimes individually referred to herein as a “Party” and, together, as the “Parties.”

RECITALS

WHEREAS, Subrecipient operates a program which is an eligible CDBG activity as specified in Section 570.208 of the CDBG regulations promulgated by the United States Department of Housing and Urban Development (“HUD”); and

WHEREAS, City and Subrecipient recognize that Subrecipient’s program entitled “Legal Aid” (the “Program”) is beneficial to the well being of low- and moderate-income residents of City; and

WHEREAS, Subrecipient proposes to offer the Program to qualified low- and moderate-income residents of City;

NOW, THEREFORE, in consideration of the mutual promises contained herein, City and Subrecipient agree as follows:

AGREEMENT

Section 1. Term and Scope of Services.

A. Term of Agreement. The term of this Agreement is July 1, 2014 through June 30, 2015. Such term may be extended by City’s City Manager should additional time for auditing the Program be required in accordance with law.

B. Program Delivery. Subrecipient will be responsible for administering a Legal Aid Program in a manner satisfactory to City and consistent with any standards required as a condition of City providing Subrecipient with CDBG funds. The program will include the following activities (“Activities”) eligible under the CDBG program:

Activity #1 General Legal Aid Services. Provides assistance in resolving legal matters such as divorce, custody, guardianship, and other family law issues. CDBG funds a portion of the program personnel costs to administer program.

Activity #2 Battered and Abused Spouses. Provides life altering and potentially life saving assistance with filing restraining orders against abusers. CDBG funds a portion of the program personnel costs to administer program.

C. **Eligible Service Area.** Only CDBG eligible expenses associated with providing the Activities described in this Section to persons residing within the corporate limits of the city of Redlands are eligible for reimbursement under this Agreement.

D. **Scope of Activity.** Subrecipient shall not make any changes in the scope of the Activities without prior written authorization from City. Upon receipt of a request by Subrecipient, City's City Manager, or his or her authorized designee, may amend the scope of the Activities by written agreement with Subrecipient, provided that such amendment shall not increase Subrecipient's compensation or violate Federal regulations.

E. **National Objectives.** All Activities funded with CDBG funds must meet one of the CDBG program's National Objectives: benefit low- and 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. Subrecipient certifies that the Activities carried out under this Agreement will meet the National Objective of primarily benefiting Low-to Moderate Income Clientele (LMC) 570.208 (a) (2) (i) (A) and (B).

F. **Goals and Performance Measures.** Subrecipient agrees to provide the following levels of Program Activities during the 2014-2015 program year:

<u>Activity</u>	<u>Total Units/Year</u>	<u>Matrix Code</u>
<i>Legal Aid</i>	<i>225 Clients/Year</i>	<i>05C Legal Services</i>
<i>Legal Aid</i>	<i>25 Clients/Year</i>	<i>05G Battered and Abused Spouses</i>

Section 2. Compensation and Payment.

A. **Compensation.** City shall pay Subrecipient a "not-to-exceed" amount of Fifteen Thousand Dollars (\$15,000).

B. **Reimbursement.** It is the intent of City in entering into this Agreement to acknowledge that the funds expended by Subrecipient in the performance of its Program, from and after July 1, 2014, shall be eligible for reimbursement pursuant to this Agreement.

C. **Budget.** Reimbursement of allowable costs shall be made against the line item budgets specified below, herein and in accordance with performance.

<u>Line Item</u>	<u>Amount</u>
Personnel Costs	\$15,000

D. **Payment Procedures.** Subrecipient shall provide City with quarterly invoices. City will review the quarterly invoices and expenditure information submitted by Subrecipient to determine that the Activities performed, and expenditures made, are consistent with the approved budget and this Agreement. City shall process the invoices for payment in accordance with its usual manner. Payment will generally be made within thirty (30) calendar days. Should City determine that Subrecipient has not performed its obligations as stated in this Agreement in a satisfactory manner, or if City determines that insufficient supporting information has been submitted, City shall notify Subrecipient in writing within 15 days of receipt of the reimbursement invoice of its determination specifying in detail the objections which City has to Subrecipient's performance or expenses and the additional information needed to process the

invoice, as applicable. Failure of Subrecipient to respond in writing within 30 days of the date of notice from City shall render the reimbursement request null and void.

E. **Changes in Grant Allocation.** City reserves the right to reduce the grant allocation to Subrecipient when City's fiscal monitoring indicates that Subrecipient's rate of expenditures will result in unspent funds at the end of the Program year. Changes in the grant allocation may be made after consultation with Subrecipient.

Section 3. Financial Management.

A. **Accounting Standards.** Subrecipient shall comply with 24 CFR 84.21-28 and adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

B. **Cost Principles.** Subrecipient 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.

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

D. **Program Income.** Subrecipient shall report quarterly all program income (as defined at 24 CFR 570.500(a)) generated by the 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 in 24 CFR 570.504. By way of further limitation, Subrecipient 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 unexpended Program income shall be returned to City at the completion 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.

Section 4. Documentation and Record Keeping.

A. **Records to be Maintained.** Subrecipient shall maintain all records required by the 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:

1. Records providing a full description of each Activity undertaken;
2. Records demonstrating that each Activity undertaken meets one of the National Objectives of the CDBG program;
3. Records required to determine the eligibility of Activities;
4. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
5. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;

6. Records documenting payroll and time attendance signed by the employee and approved by the supervisor reflecting total work time on a daily basis by program and/or funding source, as applicable;
7. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
8. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

B. **Client Data.** 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's CDBG program compliance monitor, Project Manager II, or his or her designees, for review upon request.

C. **Close-outs.** Subrecipient's obligation to City shall not end until all close-out requirements are completed. 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 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.

D. **Quarterly Performance Report.** Subrecipient shall prepare and submit quarterly reports regarding Program accomplishments to assist City in meeting City's record keeping and reporting requirements, as may be mandated by HUD from time to time.

E. **Records Retention.** Subrecipient shall make available to City all books and records relating to the Program supported by funds paid pursuant to this Agreement, and take all such actions as may be necessary to protect the right of City to examine and audit all said books and records including but not limited to, work data, documents, proceedings, and Activities related to this Agreement for a period of five (5) years from the date of final payment under this Agreement. Subrecipient shall maintain said records in a manner which will indicate actual time and allowable costs with respect to all work performed hereunder as required by City and Federal regulations.

F. **Audits and Inspections.** All Subrecipient records with respect to any matters covered by this Agreement shall be made available to City, HUD, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by Subrecipient within 30 days after receipt by Subrecipient. Failure of Subrecipient to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments. Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current City policy concerning Subrecipient audits and OMB Circular A-133.

Section 5. Insurance. Subrecipient shall not commence any Program Activities under this Agreement until it has obtained all insurance required hereunder with a company or companies acceptable to City, nor allow any of its subcontractors to commence any Activities for

the Program until all insurance required of Subrecipient and its subcontractor have been obtained. Subrecipient and its subcontractors shall take out and maintain at all times during the term of this Agreement the following policies of insurance:

A. **Worker's Compensation Insurance.** Subrecipient shall furnish to City a copy of its policy of insurance as proof that it has taken out full worker's compensation insurance for all persons who it may employ directly or through subcontractors in carrying out the Program, in accordance with the laws of the State of California. In accordance with the provisions of California Labor Code Section 3700, every employer shall secure the payment of compensation to his employees. Subrecipient shall sign and file with City a certification as follows:

"I am aware of the provisions in Section 3700 of the Labor Code which requires every employer to be insured against liability for workers compensation or to undertake self insurance in accordance with the provisions of that Code, and I will comply with such provisions of that Code, and I will comply with such provisions before commencing the performance of the Program described in this Agreement."

B. **Comprehensive General Liability Insurance.** Throughout the term of this Agreement, at Subrecipient's sole cost and expense, Subrecipient shall keep, or cause to be kept, in full force and effect, for the mutual benefit of City and Subrecipient against claims and liabilities for personal injury, death, or property damage arising from Subrecipient's activities, a policy of liability insurance. Minimum coverage of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate for public liability, property damage and personal injury is required. City shall be named as an additional insured and the insurance policy shall include a provision prohibiting cancellation of said policy except upon thirty (30) days prior written notice to City. Such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City. Certificates of insurance and endorsements shall be delivered to City prior to commencement of the Program.

C. **Business Auto Liability Insurance.** Throughout the term of this Agreement, Subrecipient shall maintain business auto liability coverage, with minimum limits of one million (\$1,000,000) per occurrence, combined single limit for bodily injury liability and property damage liability. This coverage shall include all Subrecipient owned vehicles used to conduct Subrecipient Activities, hired and non-owned vehicles, and employee non-ownership vehicles. City shall be named as an additional insured and a certificate of insurance shall be delivered to City prior to commencement of the Program.

D. **General Insurance Requirements.** All insurance required by this Agreement shall be carried only with responsible insurance companies licensed and admitted to do business in the State of California and policies required under subsections B and C of this Section 5 shall name as additional insured's City, and its elected officials, officers, employees, and agents. All policies shall contain language, to the effect that: (1) the insurer waives the right of subrogation against City and City's elected officials, officers, employees, and agents; (2) the policies are primary and non-contributing with any insurance that may be carried by City; and (3) they cannot be canceled or materially changed except after thirty (30) days' prior written notice by the insurer to City, delivered by certified mail. All such policies shall be amended or endorsed to add City and its elected officials, officers, agents, representatives and employees as additional named insured's. Subrecipient shall furnish City with copies of all such policies and endorsements

promptly upon receipt of them. A "Certificate of Insurance" showing the additional named insured's and other aforementioned provisions shall not be adequate.

Section 6. Compliance with Federal Laws. Subrecipient shall 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 grants including subpart K of these regulations, except that (1) Subrecipient does not assume City's environmental responsibilities described in 24 CFR 570.604. and (2) Subrecipient does not assume City's responsibility for initiating the review process under the provision of 24 CFR Part 52. Subrecipient also shall comply with all other applicable Federal, state, and local laws, regulations, and policies governing the funds provided under this Agreement. Subrecipient further shall utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

Section 7. Procurement.

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

B. **Office of Management and Budget (OMB) Standards.** Unless specified otherwise in this Agreement, Subrecipient shall procure all materials, property, or services in accordance with the requirements of 24 CFR 84.40-48.

C. **Use of Funds for Entertainment Meals or Gifts.** Subrecipient shall not use funds provided pursuant to this Agreement to pay for entertainment, meals or gifts.

D. **Travel.** Subrecipient shall obtain written approval from City for any travel outside of the City of Redlands with funds provided under this Agreement.

Section 8. 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:

A. Subrecipient shall transfer to City any Program funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.

B. Real property under Subrecipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement (or such longer period of time as the City deems appropriate). If Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, 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 the 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 five-year period (or such longer period of time as City deems appropriate).

C. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be Program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Subrecipient for activities under this Agreement shall be (a) transferred to 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).

Section 9. Non-Discrimination.

A. Subrecipient shall comply with Executive Order 11246 which requires that during the performance of this Agreement, and Subrecipient shall not discriminate against any employee or applicant for employment because of race, religion, sex, color or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Subrecipient shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by and Subrecipient setting forth the provisions of this nondiscrimination clause.

B. Subrecipient shall comply with Title VI of the Civil Rights Act of 1964 as amended which provides that no person shall, on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program of activity receiving federal financial assistance.

C. No person shall, on the grounds of race, sex, creed, color, religion, marital status, national origin, age, sexual orientation, or physical or mental handicap be excluded from participation in, be refused the benefits of, or otherwise be subject to discrimination in any activities, programs or employment supported by this Agreement. Sub-recipient is prohibited from discrimination on the basis of age or with respect to an otherwise qualified handicapped person as provided for under Section 109 of the Housing and Community Development Act of 1974, as amended.

D. Subrecipient shall comply with the Age Discrimination Act of 1975 which requires that, during the performance of this Agreement, and Subrecipient shall not discriminate against any employee or applicant for employment because of age. Such action shall include, but not be limited to the following: employment upgrading, demotion, or transfer, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Subrecipient shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by Subrecipient setting forth the provisions of this age discrimination clause.

E. Subrecipient shall comply with Section 504 of the Rehabilitation Act of 1973 which requires that no otherwise qualified individual with a disability in the United States, as defined in section 706 (20) of this title, shall, solely by reason of his or her disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance or under any program or activity conducted by any Executive agency or by the United States Postal Service.

Section 10. Religious Proselytizing or Political Activity. Subrecipient shall not perform or permit any religious proselytizing or political activities prohibited by 24 CFR 570.200(j) in connection with its performance under this Agreement. Subrecipient shall not discriminate against any person applying for such public services on the basis of religion and will not limit such services or give preference to persons on the basis of religion; and (1) it will provide no religious instruction or counseling, conduct no religious worship or services, engaging in no religious proselytizing, and exert no other religious influence in the provision such public services; and (2) the portion of a facility used to provide public services assisted in whole or in part under this Agreement shall contain no sectarian or religious symbols.

Section 11. Certification Regarding Lobbying. Subrecipient certifies, to the best of its knowledge and belief, that:

A. No federal appropriated funds have been paid or will be paid, by or on behalf of Subrecipient, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an office or employee of Congress in connection with the awarding of any Federal contract, the making 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 any officer or employee of any agency, a member of Congress, and officer or employee of Congress, or any employee of a member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

C. Subrecipient shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontractors, sub-grants, and contracts under grants, loans, and cooperative agreements), and Subrecipient shall take all actions necessary to ensure that all Subrecipient's shall similarly certify and disclose accordingly.

Section 12. Conflict of Interest. Subrecipient agrees to abide by the provisions of 24 CFR 84.42 and 570.611, which include, but are not limited to, the following:

A. Subrecipient shall maintain a written code or standards of conduct that govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.

B. No employee, officer or agent of Subrecipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.

C. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, either for themselves or those with

whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of City, Subrecipient, or any designated public agency.

D. Subrecipient certifies that no member, officer or employee of Subrecipient is an officer or employee of City or member of any of its boards, commissions or committees or has any interest or holdings, which could be affected by any actions taken in execution of this Agreement.

Section 13. Compliance with Law. In the course of conducting the Program under this Agreement, Subrecipient, its agents and employees, shall be bound by and comply with all applicable Federal, state and local laws and regulations.

Section 14. Section 3 of the Housing and Community Development Act of 1968. Subrecipient shall make every effort to provide training opportunities for low- and moderate-income persons residing within the community where the Program is located and contracts awarded to local businesses therein, to the greatest extent feasible as required under the provisions of Section 3 of the Housing and Urban Development Act of 1968, the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this Agreement. Compliance with the foregoing requirements shall be a condition of the Federal financial assistance provided under this Agreement and binding on Subrecipient. Failure to fulfill these requirements shall subject Subrecipient, and its successors and assignees, to those sanctions specified through which Federal assistance is provided. Subrecipient certifies and agrees that no contractual or other disability exists which would prevent compliance with these requirements. Subrecipient shall make every effort to ensure that all Program Activities funded wholly or in part by CDBG funds shall provide equal employment opportunities for minorities and women.

Section 15. Amendment. This Agreement may be amended or modified only by written agreement signed by the Parties, and the failure on the part of any Party to enforce any provision of this Agreement shall not be construed as a waiver of the right to compel enforcement of such provision or other provisions by such Party.

Section 16. Termination and Suspension. In accordance with 24 CFR 85.43, suspension or termination of this Agreement may occur if the Subrecipient materially fails to comply with any of the terms of this Agreement, which include, but are not limited to the following:

- A. 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;
- B. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement; or
- C. Ineffective or improper use of funds provided under this Agreement; or
- D. Submission by the Subrecipient to City reports that are incorrect or incomplete in any material respect; or
- E. Failure to take satisfactory corrective action as directed by City.

In accordance with 24 CFR 85.44, this Agreement may be terminated by City or Subrecipient, in whole or in part, upon the giving of a written "Notice of Termination" at least thirty (30) days prior to the date of termination specified in said Notice. In the event this Agreement is terminated, Subrecipient shall be compensated on a pro rata basis with respect to the percentage of the Program completed as of the date of termination. In no event, however, shall Subrecipient receive more than the maximum specified compensation in this Agreement. Upon expiration or termination of this Agreement, Subrecipient shall transfer to City all CDBG funds on hand at the time of expiration/termination and any accounts receivable attributable to the use of CDBG funds.

Section 17. Joint Funding. For programs in which there are sources of funds received by Subrecipient from the private sector in addition to HUD/CDBG funds, Subrecipient shall provide proof of such funding to City upon receipt of such funds. City shall not reimburse for any services provided by Subrecipient which are funded by other sources. All restrictions and/or requirements provided in this Agreement relative to accounting, budgeting, and reporting apply to the total program regardless of funding sources. The United States of America through HUD may in the future place programmatic or fiscal limitations on CDBG funds not presently anticipated. Accordingly, the City reserves the right to amend this Agreement in order to take account of actions affecting HUD program funding. In the event of funding reduction, City may reduce all or part of the budget and compensation payable to Subrecipient under this Agreement, and may, at its sole discretion, limit Subrecipient's authority to commit and spend funds, and may restrict Subrecipient's use of both its uncommitted and its unspent funds. Where HUD has directed or requested City to implement a reduction in funding, with respect to funding for this Agreement, the City Manager or his designee, may act for City in implementing and effecting such a reduction by amending this Agreement for such purpose.

Section 18. Indemnification. Subrecipient shall indemnify, defend and hold harmless the City, and its elected and appointed officials, officers, agents, employees, and consultants, from all liability, from loss, damage or injury to persons or property, including the payment by Subrecipient of any and all legal costs and attorneys' fees, in any manner arising out of or incidental to the performance by Subrecipient, and/or its employees and agents, of this Agreement, including, but not limited to, all consequential damages to the maximum extent permitted by law.

Section 19. Independent Contractor. Nothing contained in this Agreement is intended, or shall be construed in any manner to create or establish the relationship of employer/employee between City and Subrecipient. Subrecipient shall at all times remain an independent contractor with respect to the Program Activities to be performed under this Agreement.

Section 20. Assignment. No assignment of the Agreement or of any part or obligation of performance hereunder shall be made, either in whole or in part, by Subrecipient without the prior written consent of City.

Section 21. Governing Law. The laws of the State of California shall govern the rights, obligations, duties and liabilities of the Parties and shall also govern the interpretation of this Agreement.

Section 22. Attorneys' Fees. If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the

prevailing Party shall be entitled to its reasonable attorneys' fees, including fees for the use of in-house counsel by a Party, and all costs of the action, which may be set by the Court in the same action or in a separate action brought for that purpose, in addition to any other relief to which the Parties may be entitled.

Section 23. Entire Agreement. This Agreement represents the entire agreement between City and Subrecipient, and supersedes all prior negotiations, representations or agreements, either written or oral, with respect to the subject matter hereof.

Section 24. Handbook Receipt Certification. Subrecipient certifies that it has received the HUD published "*Playing by the Rules – A Handbook for CDBG Subrecipient's on Administrative Systems*" in either print or electronic format from City. Subrecipient further certifies and agrees that it is Subrecipient's obligation under this Agreement to read and understand the Handbook.

Section 25. Notices. Any and all notices, demands, invoices, and written communications between the Parties shall be addressed as set forth in this paragraph. The below named individuals, furthermore, shall be those persons primarily responsible for the performance by the Parties under this Agreement, unless otherwise modified by subsequent written notice:

Subrecipient Representative:

Doug Thorne, CFO
YMCA of the East Valley
500 E. Citrus Ave.
Redlands, CA 92373

City Representative:

Janet Miller, Project Manager II
Development Services Department
City of Redlands
P.O. Box 3005
Redlands, CA 92373

When so addressed, such notices shall be deemed given upon deposit in the United States Mail. Changes may be made in the names and addresses of the person to whom notices and payments are to be given by giving notice pursuant to this section.

CITY



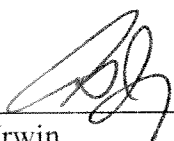
Pete Aguilar
Mayor

SUBRECIPIENT



Doug Thorne
CFO

ATTEST:



Sam Irwin
City Clerk