

CITY OF REDLANDS
COMMUNITY DEVELOPMENT BLOCK GRANT ("CDBG")
SUBRECIPIENT AGREEMENT

This agreement for CDBG funding ("Agreement") is made and entered into this 30th day of June, 2011 ("Effective Date"), between the City of Redlands, a California municipal corporation (hereinafter referred to as "City") and YMCA of the East Valley, a non-profit organization (hereinafter referred to as "Subrecipient"). The City and Subrecipient are sometimes individually referred to herein as a "Party" and, together, as the "Parties."

RECITALS

WHEREAS, the Subrecipient operates a program which is an eligible CDBG activity as specified in Section 570.206 of the CDBG regulations promulgated by the United States Department of Housing and Urban Development ("HUD"); and

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

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

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

AGREEMENT

Section 1. Scope of Work. The scope of work to be performed for the Program by the Subrecipient is described in Exhibit "A," attached hereto and incorporated herein by this reference. The service area of the Subrecipient's Program is limited to the corporate limits of the City. The Subrecipient shall not make any changes in the scope of work without prior written authorization from the City. Upon receipt of a request by the Subrecipient, the City's City Manager, or his authorized designee, may amend the scope of work, provided that such amendment shall not increase the compensation or violate Federal regulations.

Section 2. Compensation. The City shall pay the Subrecipient a "not-to-exceed" amount of Ten Thousand Dollars (\$10,000.00) for fiscal year 2011-2012. The Subrecipient shall provide the City with quarterly invoices. The City will review the quarterly invoices and expenditures information submitted by the Subrecipient to determine that the services performed, and expenditures made, are consistent with this Agreement. The City shall process the invoices for payment in accordance with its usual manner. Payment will generally be made within thirty (30) calendar days. Should the City determine that the Subrecipient has not performed its obligation as stated in this Agreement in a satisfactory manner, or if the City determines that insufficient supporting information has been submitted, the City shall notify the Subrecipient in writing of its determination specifying in detail the objections which it has to the Subrecipient's performance or expenses and the additional information needed to process the invoice, as applicable.

Section 3. Period of Reimbursement. It is the intent of the City in entering into this Agreement to acknowledge that the funds expended by the Subrecipient in the performance of its Program, from and after July 1, 2011, shall be eligible for reimbursement pursuant to this Agreement.

Section 4. Records and Reports.

A. The Subrecipient shall keep all appropriate records on Program participants to determine their initial and continuing eligibility for the Program services being provided by the Subrecipient.

B. The Subrecipient shall prepare and submit quarterly reports regarding Program accomplishments to assist the City in meeting its record keeping and reporting requirements, as may be mandated by HUD from time to time.

C. The Subrecipient shall make available to the 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 the 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. The 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 the City and Federal regulations.

Section 5. Insurance. The Subrecipient shall neither (1) commence work under this Agreement until it has obtained all insurance's required hereunder in a company or companies acceptable to the City, nor (2) allow any subcontractor to commence work on a subcontract for the Program until all insurance required of the subcontractor has been obtained. The Subrecipient shall take out and maintain at all times during the terms of this Agreement the following policies of insurance:

A. Worker's Compensation Insurance. The Subrecipient shall furnish to the 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. The Subrecipient shall sign and file with the 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, the Subrecipient shall keep, or cause to be

kept, in full force and effect, for the mutual benefit of the 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. The 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 the City. Such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by the City. Certificates of insurance and endorsements shall be delivered to the 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. The City shall be named as an additional insured and a certificate of insurance shall be delivered to the 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 insureds the City, 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 the City and the City's officials, officers, employees, and agents; (2) the policies are primary and non-contributing with any insurance that may be carried by the City; and (3) they cannot be canceled or materially changed except after thirty (30) days' prior notice by the insurer to the City by certified mail. All such policies shall be amended or endorsed to add the City and its officers, agents, representatives and employees as additional named insureds. Subrecipient shall furnish the City with copies of all such policies and endorsements promptly upon receipt of them. A "Certificate of Insurance" showing the additional named insureds and other aforementioned provisions shall not be adequate.

Section 6. Compliance with Federal Laws. The Subrecipient shall comply with all applicable administrative requirements described in the Federal Register, Title 24 CFR, Part 570.502 (the "Regulations"). The Subrecipient shall carry out its activities in compliance with all Federal Laws and regulations described in Subpart K of the Regulations, except for environmental responsibilities and responsibility for initiating the review process.

Section 7. Use of Funds for Entertainment Meals or Gifts. The Subrecipient shall not use funds provided pursuant to this Agreement to pay for entertainment, meals or gifts.

Section 8. Non-Discrimination.

A. The Subrecipient shall comply with Executive Order 11246 which requires that during the performance of this Agreement, the 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. The Subrecipient shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Subrecipient setting forth the provisions of this nondiscrimination clause.

B. The Sub-recipient shall comply with Title VI of the Civil Rights Act of 1964 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. The 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. The Sub-recipient shall comply with the Age Discrimination Act of 1975 which requires that, during the performance of this Agreement, Sub-recipient 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. The Sub-recipient shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Sub-recipient setting forth the provisions of this age discrimination clause.

E. The 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 9. Religious Proselytizing or Political Activity. The Subrecipient shall not perform or permit any religious proselytizing or political activities in connection with its performance under this Agreement. Subrecipient shall not discriminate against any person applying from 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 10. Certification Regarding Lobbying. The 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 the Subrecipient, 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 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. The 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 the Subrecipient shall take all actions necessary to ensure that all Subrecipients shall similarly certify and disclose accordingly.

Section 11. Conflict of Interest. The Subrecipient certifies that no member, officer or employee of the Subrecipient is an officer or employee of the 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 12. Contract Language. In the course of conducting the Program under this Agreement, the Subrecipient, its agents and employees, shall be bound by and comply with all applicable Federal, state and local laws and regulations.

Section 13. Section 3 of the Housing and Community Development Act of 1968. The Sub-recipient 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 24CFR135, 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 the Sub-recipient. Failure to fulfill these requirements shall subject the Sub-recipient, and its successors and assignees, to those sanctions specified through which Federal assistance is provided. The Sub-recipient certifies and agrees that no contractual or other disability exists which would prevent compliance with these requirements. The Sub-recipient shall make every effort to ensure that all projects funded wholly or in part by CDBG funds shall provide equal employment opportunities for minorities and women.

Section 14. 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 15. Changes in Grant Allocation. The City reserves the right to reduce the grant allocation to the Subrecipient when the City's fiscal monitoring indicates that the Subrecipient's

rate of expenditures will result in unspent funds at the end of the program year. Changes in the grant allocation will be made after consultation with the Subrecipient.

Section 16. Termination and Suspension. In accordance with Federal law, suspension or termination of this Agreement may occur if the Subrecipient materially fails to comply with any of the terms of this Agreement. This Agreement may be terminated by the City or Subrecipient upon the giving of a written "Notice of Termination" at least thirty (30) days prior to the date of termination specified in said Notice. Suspension or termination may occur if the Subrecipient materially fails to comply with the scope of work described in Exhibit "A." 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, the Subrecipient shall transfer to the 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, the Subrecipient shall provide proof of such funding to City upon receipt of such funds. The City shall not pay for any services provided by the 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.

A. 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, the City may reduce all or part of the budget and compensation payable to the Subrecipient under this Agreement, and may, at its sole discretion, limit the 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 the City to implement a reduction in funding, with respect to funding for this Agreement, the City Manager or his designee, may act for the City in implementing and effecting such a reduction by amending this Agreement for such purpose.

B. The City's City Manager or his designee, may act for the City in suspending the operation this Agreement for up to sixty (60) days, upon three (3) calendar day's written notice to Subrecipient. In no event, however, shall any revision be made by the City which affects expenditures and legally binding commitments made by Subrecipient before it received notice of such amendment, provided that such amounts have been committed in good faith, are otherwise allowable and are consistent with HUD cash withdrawal guidelines.

Section 18. Indemnification. The Subrecipient shall indemnify, defend and hold harmless the City and the City's Redevelopment Agency, and their respective 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 the Subrecipient of this Agreement, including, but not limited to, all consequential damages to the maximum extent permitted by law.

Section 19. 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 the City.

Section 20. 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 21. 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 22. Entire Agreement. This Agreement represents the entire agreement between the City and Subrecipient and supersedes all prior negotiations, representations or agreements, either written or oral, with respect to the subject matter hereof.

Section 23. Term of Agreement. This Agreement shall commence on its Effective Date and terminate on June 30, 2012, unless extended, amended or otherwise terminated as provided for herein.

Section 24. Notices. Any and all notices, demands, invoices, and written communications between the parties hereto shall be addressed and 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:

City Representative:

Janet Miller, Project Manager
Development Services Department
City of Redlands
210 E. Citrus Avenue
Redlands, CA 92373

Subrecipient Representative:

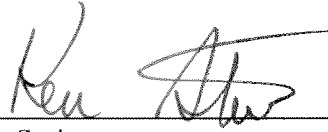
Ken Stein
YMCA of the East Valley
500 E. Citrus Ave.
Redlands, CA 92373

CITY



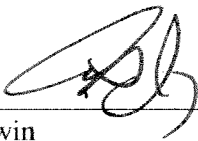
Pete Aguilar
Mayor

SUBRECIPIENT



Ken Stein
YMCA of the East Valley

ATTEST:



Sam Irwin
City Clerk

EXHIBIT "A"

Agency: YMCA of the East Valley
Project Title: Legal Aid 11-12
Year: 2011-2012 **Project Number:**
Agency Type: Public Agency Service
Beginning Contract Date: July 1, 2011 **Ending Contract Date:** June 30, 2012
Budget: \$ 10,000 **Carry Over Amt.:** \$ 0.00

Eligibility:	
Priority Need: Public Service	Matrix Code: 05C Legal Services 05G Battered and Abused Spouses
Specific Objectives: Improve the services for low/mod income persons	
Eligibility Citation: 570.210 (e)	National Objective: LMC 570.208(a)(2)(i)(B)

Administration:

The following individuals and/or agencies will be implementing this project:

Ken Stein
Chief Executive Officer
YMCA of the East Valley
500 E. Citrus Ave.
Redlands, CA 92373
(909) 798-9622, ext. 201

Project Summary:

This program will provide legal services for indigent residents by providing attorney consultations and preparation of legal documents for the residents to represent themselves in family law, guardianships, conservatorships and landlord/tenant actions. CDBG funds will be used to pay for a portion of the staff salary associated with providing the CDBG funded service. Benefits low- and moderate-income persons.

Proposed Goal: 250+25 People
= 275

Special Provisions:

The following are special provisions that are required as a condition of receiving Community Development Block Grant (CDBG) funds. Failure to comply with these requirements may lead to possible findings, a breach of the agreement, and/or the repayment of the funds received under this agreement.

In the Special Provisions section, the term “Operating Department” shall refer to the City Department that is responsible for the oversight of the project. The term “Operating Agency” or “Subrecipient” shall refer to the Community Based Organization (non-profit) that is receiving CDBG funds. The term “CDBG Program Staff” shall refer to the Development Service Department Project Manager.

Subrecipient Agreement/Consultation Services:

The Operating Department/Agency shall execute a professional services agreement with each consultant/contractor prior to incurring any costs or distributing any CDBG funds, in compliance with federal contractual requirements.

Program Income:

The Operating Agency will track and report all program income generated from the use of CDBG funds, as defined in 24 CFR, Part 85.25 of the Common Rule. Program income is defined as gross income received by the sub-grantee or sub-recipient directly generated by a grant-supported activity, or earned only as a result of the grant agreement. Program income includes, but is not limited to: 1) Fees and donations collected from participants on public service programs; 2) Applicable bid fees from construction or rehabilitation activities; 3) Principal and interest collections 4) on loans made with CDBG funds; 5) Fees from the use or rental of real or personal property; and 6) Proceeds from the disposition of property purchased or improved with CDBG funds. Program income must be recorded as revenues in the CDBG cost center of the Operating Department/Agency’s General Ledger. If applicable and upon receiving approval from the City, the program income may be used for payment of other eligible project expenditures that are not paid with CDBG funds. Otherwise, the funds must be remitted to the City accompanied by the Return Funds Transmittal form within 30 days of receipt.

Retention of Financial Records:

The Operating Department/Agency shall maintain during the term of this Contract and for a period of five (5) years after the expiration of the contract complete and adequate financial records and accounts as considered necessary by the City to assure proper accounting for all program funds and to support all program expenditures. These records and accounts shall include, but not be limited to, the following: 1) A double-entry General Ledger that supports the costs charged to the CDBG Program; 2) Records documenting procurement of goods and services; 3) Contracts for goods or services; 4) Lease or Rental Agreements; 5) Invoices; 6) Billing Statements; 7) Cancelled Checks; 8) Timecards signed by employees and supervisors; 9) Personnel Authorization Records; 10) Payroll Registers; 11) Payroll Tax Records; 12) Bank Statements; 13) Bank Reconciliations; and 14) Documentation to support the allocation of costs.

Payroll and Attendance Records:

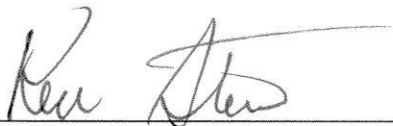
The Operating Department/Agency must maintain payroll and time attendance records signed by the employee and approved by the supervisor. Time distribution records must reflect total work time on a daily basis by program and/or funding source, as applicable.

Payroll and Attendance Records II:

The Operating Department/Agency shall maintain during the term of this Contract and for a period of five (5) years after the expiration of the contract complete and adequate financial records and accounts as considered necessary by the City to assure proper accounting for all program funds and to support all program expenditures. These records and accounts shall

include, but not be limited to, the following: 1) A double-entry General Ledger that supports the costs charged to the CDBG Program; 2) Records documenting procurement of goods and services; 3) Contracts for goods or services; 3) Lease or Rental Agreements; 4) Invoices; 5) Billing Statements; 6) Cancelled Checks; 7) Timecards signed by employees and supervisors; 8) Personnel Authorization Records; 9) Payroll Registers; 10) Payroll Tax Records; 11) Bank Statements; 12) Bank Reconciliations; and 13) Documentation to support the allocation of costs.

By signing below, I acknowledge that I have read and understand all of the special conditions listed above. Furthermore, I acknowledge that if I fail to comply with the conditions listed, the U.S. Department of Housing and Urban Development (HUD) and/or the City may require the repayment of the funds received and/or forfeit receiving future Community Development Block Grant (CDBG) funds.



Ken Stein

6/30/2011

Date

PUBLIC HEARING:

Resolution No. 7038 - One-Year Action Plan - Mayor Aguilar reopened a public hearing continued from the regular City Council meeting of April 19, 2011 and called on Oscar Orci, Development Services Director, to summarize events leading to the staff recommendation for allocating the estimated funding for Community Development Block Grant (CDBG) activities for the 2011-2012 CDBG program year. As public comment, Joseph Rodriguez spoke in support of the Gang Reduction Intervention Team, Pam Grogan spoke in support of the Boys & Girls Club and all youth organizations, Alton Robertson spoke in support of Step by Step, and Steve Rogers submitted and read from a written statement criticizing the One-Year Action Plan. On motions of Councilmember Gardner, seconded by Mayor Pro Tem Foster, the City Council approved Resolution No. 7038 approving the recommended One-Year Action Plan using a funding allocation estimate, directed staff to submit the Plan to the U.S. Department of Housing and Urban Development (HUD), authorized the City Manager to direct staff to revise and resubmit the Plan using the same criteria once HUD releases the final funding allocation, and directed the Mayor to execute subrecipient agreements with selected Public Services Agencies after receiving the final allocation and approval from HUD. Councilmember Bean voted No on the motions.

COMMUNICATIONS:

A.K. Smiley Public Library Budget Priorities - Library Director Larry Burgess provided an overview of the federal, state and local directives combined with bequests and accompanying guidance received, which define the library department primary core services. He continued with a chronology of the library's services through the years. Summarizing the library budget as a percentage of General Fund expenditures, Dr. Burgess pointed out a relatively consistent level of spending to provide only the core services. All secondary and enhanced services are self sustaining.

Human Resources Budget Priorities - Deborah Scott-Leistra, Human Resources (HR) Director, began with the factors which guide and directly impact HR service delivery. She listed the several roles involved in HR management. Reviewing the history and standards of manpower, she pointed to reductions which have accomplished over recent years to meet budgetary constraints. The presentation included a discussion of alternative service delivery methods and concluded the most cost effective method is to continue to provide HR services in house.

NEW BUSINESS: