

SUBRECIPIENT CONTRACT - NONPROFIT CORPORATIONS

CITY OF GLENDALE, ARIZONA  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
PHYSICAL IMPROVEMENTS  
FY 2013-2014

This Subrecipient Contract ("Contract") is executed this 8th day of November, 2013 by and between Central Arizona Shelter Services (CASS), Inc., an Arizona nonprofit corporation ("Agency"), and the City of Glendale, an Arizona municipal corporation ("City"). The parties hereby agree as follows:

**1. Contract Amount:**

- 1.1 The Agency will furnish all labor, materials, services, supervision, tools, equipment, licenses, and permits necessary to operate the Family Shelter Physical Improvements Program ("**Program**") as defined in the Scope of Services attached as **Exhibit A**.
- 1.2 The City will provide financial assistance in an amount not to exceed \$14,000. This Contract price constitutes the entire consideration for the City's participation in the performance and completion of all work to be performed under this Contract.

**2. Contract Term:** Contract will be effective November 8, 2013 and will terminate on May 8, 2015

**3. Method of Payment:** Payment will be made in such amounts and increments as may be approved by the City for various phases of work upon submission of a proper request for payment, including supporting documentation. See **Exhibit B** for billing and reporting information. The final request for payment will be submitted to the City within 15 days after expiration or termination of this Contract.

**4. Program Income:** Any Program Income, as defined in 24 CFR § 570.500(a), received by the Agency prior to grant close-out will be used to offset payment due in an amount directly proportional to the prorated share of Community Development Block Grant ("CDBG") funds used as set forth in 24 CFR § 570.504(c). Under this Contract, "Program Income" refers solely to those funds derived from the Agency provided in the City of Glendale and includes, but is not limited to income received from the clients served for services performed or materials purchased. Documentation supporting the amount of Program Income received will be submitted with monthly billings.

**5. The City Certifies:**

- 5.1 The services/project described by the Agency to be provided will principally benefit low and moderate-income persons within the community
- 5.2 That the public purpose is served by the financial participation of the City in the above-referenced service.
- 5.3 That the CDBG funds designated for the Program constitute reasonable and prudent assistance necessary for the completion of the Program.

**6. The Agency Certifies:**

- 6.1 That it is an Arizona nonprofit corporation
- 6.2 That it intends to provide the service for which funds are granted under this Contract for at least one year.
- 6.3 That it possesses legal authority to execute this Contract.

- 6.4 That its governing body has duly adopted or passed as an official act, a resolution, motion, or similar action authorizing the person identified as the official representative of the Agency to execute this Contract and to comply with the terms of this Contract.
- 6.5 That the services will be carried out and administered in compliance with all federal laws and regulations as further described in **Exhibit C**.
- 6.6 That the Program assisted under this Contract is designed to give maximum feasible priority to activities that benefit low and moderate-income families as defined in **Exhibit D**.
- 6.7 That if applicable, it will comply with the City's procurement, mediation and right of refusal clauses as described in **Exhibit E**.
- 6.8 That it will comply with all applicable laws.

**7. The City Agrees to:**

- 7.1 Disburse funds in a timely manner as described in this Contract.
- 7.2 Provide technical assistance to the Agency to comply with applicable federal provisions governing the use of CDBG funds.
- 7.3 Complete all environmental review requirements as described in 24 CFR Part 58.

**8. The Agency Agrees to:**

- 8.1 Activities. Utilize normal and customary practices and procedures for the delivery of the Agency services/project, and provide a level of service that is consistent with the level of service for similar activities administered by the Agency exclusive of this Contract as defined by the Scope of Services attached in **Exhibit A**.
- 8.2 Record Retention. Retain all records pertinent to expenditures incurred under this Contract for a period of six years from the date of the submission of the City's annual performance and evaluation report in which the specific activity is reported on for the final time. Records for non-expendable property acquired with funds under this Contract will be retained for six years after final disposition of such property. Records for any displaced person must be kept for six years after receipt of final payment. Notwithstanding the above, if there are litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the six year period, whichever occurs later.
- 8.3 Uniform Administrative Requirements. Comply with the requirements and standards of OMB Circular No. A-122, "Cost Principles for Non-Profit Organizations." Establish and/or maintain accounting systems that meet the requirements for OMB Circular A-110 "Uniform Administrative Requirements for Grants and Contracts with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations." Comply with the audit requirements of the Single Audit Act Amendments of 1996, and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Compliance with these requirements will be subject to monitoring from time to time by the City or by the Department of Housing and Urban Development ("HUD").
- 8.4 Recordkeeping Requirements. Keep records of ethnic and racial statistics of all persons and families benefited by its services including, but not limited to, the number of low and moderate income persons assisted in accordance with federal income limits, the number of elderly and disabled, family size, and the number of female heads of household. The Agency agrees to provide the City with monthly written progress reports of its activities no later than the 15th of each month that follows the month that activities being reported/billed until such time as the Contract expires. The Agency also agrees to submit on the 15th of

July, 2014, a comprehensive report covering the agreed-upon objectives, activities, and expenditures for the fiscal year.

- 8.5 Access to Records. Provide City and HUD and/or their representatives access for purposes of monitoring, auditing, and examining performance to all pertinent books, documents and papers. However, nothing herein will be construed to require access to any privileged or confidential information as set forth in federal or state law.
- 8.6 Community Development Act of 1974. Acknowledges that the funds being provided by the City for said program are received by the City pursuant to the Housing and Community Development Act of 1974, as amended, 24 CFR Part 570 (“Act”), and that expenditures of these funds will be in accordance with the Act and all pertinent regulations issued by agencies of the federal government. The Agency agrees to comply fully with all federal, state and local laws and court orders applicable to its operation whether or not referred to in this Contract.
- 8.7 Independent Contractor. Acknowledges that the performance of obligations hereunder by an independent contractor is rendered in its capacity as an independent contractor and that it is in no way an agent of the City.
- 8.8 Indemnification and Hold Harmless. Indemnify, defend and hold harmless the City, and its officers, agents and employees, hereinafter collectively referred to as City, from all claims and suits, including attorneys’ fees and costs of litigation, actions, loss, damage, expense, costs or claims, of any character or any nature arising out of any act, omission or work done in fulfillment of the terms of this Contract or an account of any act, omission, claim or amount arising or recovered under Workmen’s Compensation Law, or arising out of the failure of the Agency or those acting under the Agency to conform to any statutes, ordinances, regulations, law or court decree. It is the intent of the parties to this Contract that the City will, in all instances, except for loss or damage resulting from the sole negligence of the City, be indemnified against all liability, loss or damage of any nature whatever for or on account of any injuries to or death of person or damages to or destruction of property belonging to any person arising out of or in any way connected with the performance of this Contract, regardless of whether or not the liability, loss or damage is caused in part by, or alleged to be caused in part by, but not solely, the negligence or fault of the City. It is agreed that the Agency will be responsible for primary loss investigation, defense and judgment costs where this Contract of indemnity applies.
- 8.9 Insurance. Will provide evidence of insurance in accordance with the request for proposals, as shown in **Exhibit F**. The City will be named by the insurer as an additional insured on all required insurance for all operations performed within the scope of this Contract. All certificates of insurance must provide for 30 days’ notice to the City of cancellation, nonrenewal or material change.

## 9. **Compliance with Laws:**

- 9.1 The Agency will comply with all applicable federal, state and local laws, statutes, ordinances, administrative rules, building codes, regulations and lawful orders of any public authority bearing on the performance of activities pursuant to this Contract. If the Agency discovers that any of the Contract documents are in conflict with any laws, statutes, ordinances, rules, building codes, regulations or lawful orders of a public authority, the Agency will promptly notify the City, in writing, of such conflict, specifying any necessary changes to the Contract documents or work to eliminate the conflict.
- 9.2 The Agency and its subcontractors will abide by all regulations pursuant to the Immigration and Naturalization Reform Act of 1986, specifically as it relates to employment and client services, and such other provisions as may be applicable. Should the Agency perform any

work knowing it to be contrary to the applicable laws, ordinances, rules, building codes and/or regulations, and not give proper notice to the City, it will assume full responsibility, therefore, and will bear all cost incurred due to its negligence. Any dispute not disposed of by mutual contract by the parties hereto will be decided in accordance with the applicable Arizona laws, ordinances, codes of the state and local governments.

- 9.3 The Agency will comply with and require all subcontractors paid with funds provided by this Contract to comply with all of the applicable provisions of the Housing and Community Development Act of 1974, as amended, 24 CFR Part 570, and the Special Conditions for activities assisted pursuant to Title I of the Community Development Act of 1974.
- 9.4 The Agency will comply with § 84.16 Resource Conservation and Recovery Act (“RCRA”) (Pub. L. 94-580, 42 U.S.C. § 6962), that any state agency or agency of a political subdivision of a state which is using appropriated Federal funds must comply with Section 6962. Section 6962 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by the Environmental Protection Agency (“EPA”) (40 CFR parts 247 through 254). Accordingly, state and local institutions of higher education, hospitals, commercial organizations and international organizations when operating domestically, and non-profit organizations that receive direct Federal awards or other Federal funds will give preference in their procurement programs funded with Federal funds to the purchase of recycled products pursuant to the EPA guidelines.
10. **Availability of Funds:** It is expressly understood by the parties hereto that this Contract has been negotiated and executed in anticipation of receipt of funds by the City from HUD pursuant to the CDBG Program and that therefore, the terms, conditions and sums payable under this Contract are subject to any changes or limitations which may be required by the terms of said grant contract.
11. **Reversion of Assets:** The Agency will forfeit to the City, upon expiration or termination of this Contract, any CDBG funds remaining and any accounts receivable attributable to the use of CDBG funds, including Program Income.
12. **Physical Improvements:** Any physical improvements over \$1,000 must be secured by a promissory note, lien document, special warranty deed and deed of trust as specified in the Loan Documents attached as **Exhibit G**.
13. **Acknowledgment:** The Agency will acknowledge the contribution of the City’s CDBG Program in all published literature, brochures, programs, fliers, etc., during the term of the Contract.
14. **Certifications:** The Agency agrees to sign the following Certifications which are attached as **Exhibit H**:
  - 14.1 Policy of Nondiscrimination on the Basis of Disability.
  - 14.2 Anti-Lobbying, Section 319 of Public Law 101-121.
  - 14.3 Contracting with Small and Minority Firms, Women’s Business Enterprises and Labor Surplus Area Firms.
  - 14.4 Drug-Free Workplace Act of 1988.
15. **Non-Discrimination:** The Agency will not discriminate against any applicant for employment or service, or any employee of the Agency on the basis of race, color, religion, sex, national origin, age or disability. The Agency will take affirmative steps to ensure that employees, applicants for employment and applicants for service are treated without regard to race, color, religion, sex, national origin, age or disability. The Agency will post in a conspicuous place available to employees and the public, notices setting forth the provisions of this non-discrimination clause. The Agency will, in all

solicitations or advertisements, state that all qualified applicants will receive consideration for employment or service without regard to race, color, religion, sex, national origin, age or disability.

**16. Immigration Law Compliance:**

- 16.1 The Agency, and on behalf any sub-contractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
- 16.2 Any breach of warranty under this section is considered a material breach of this Contract and is subject to penalties up to and including termination of this Contract.
- 16.3 The City retains the legal right to inspect the papers of any Agency or sub-contractor employee who performs work under this Contract to ensure that the Agency or any sub-contractor is compliant with the warranty under this section.
- 16.4 The City may conduct random inspections, and upon request of the City, the Agency will provide copies of papers and records of the Agency demonstrating continued compliance with the warranty under this section. The Agency agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with the City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this section.
- 16.5 The Agency agrees to incorporate into any subcontracts under this Contract the same obligations imposed upon the Agency and expressly accrue those obligations directly to the benefit of the City. The Agency also agrees to require any sub-contractor to incorporate into each of its own subcontracts under this Contract the same obligations above and expressly accrue those obligations to the benefit of the City.
- 16.6 The Agency's warranty and obligations under this section to the City is continuing throughout the term of this Contract or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement.
- 16.7 The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

**17. Termination:**

- 17.1 In accordance with 24 CFR § 85.43, the City may suspend or terminate this Contract if the Agency violates any term or condition of this Contract or if the Agency fails to maintain a good faith effort to carry out the purpose of this Contract.
- 17.2 Since the Agency's performance in furtherance of this Contract is also the consideration offered under this Contract, the Agency's failure to comply with each and every term and condition hereunder may result in immediate termination of this Contract and a refund of the weekly (or monthly, in the City's sole discretion) pro-rated amount of the previously tendered CDBG or other grant funds.
- 17.3 Notwithstanding this section, the City's decision to waive or defer compliance with any term or condition of the Agency's required performance under this Contract does not act, nor will it be deemed or interpreted as, a waiver or deferment of the City's right to terminate and to receive its refund based upon the Agency's non-compliance with other terms or conditions of this Contract or subsequent non-compliance with the same terms and conditions.



19. **Contract Documents:** The Contract comprises the entire agreement between the parties consists of the following exhibits:

- Exhibit A. Scope of Services
- Exhibit B: Billing and Reporting Information
- Exhibit C: Federal Laws and Regulations
- Exhibit D. Income Limits
- Exhibit E: Additional Requirements
- Exhibit F: Insurance Certificate
- Exhibit G. Loan Documents
- Exhibit H: Certifications

*(Signatures appear on following page.)*

IN WITNESS WHEREOF, all parties concerned acknowledge that they have read, understand, approve, and accept all of the provisions of this Contract.

CITY OF GLENDALE, an Arizona municipal corporation

[Signature]

By: Brenda S. Fischer  
Its: City Manager

ATTEST:

[Signature]  
Pamela Hanna (SEAL)  
City Clerk

APPROVED AS TO FORM:

[Signature]  
Michael D. Bailey  
City Attorney



ANN M. D'AMICO  
Notary Public - Arizona  
Maricopa County  
Expires 12/15/2017

Central Arizona Shelter Services, Inc.,  
an Arizona nonprofit corporation

By: [Signature]  
Its: Mark Holleran, CEO

STATE OF ARIZONA            )  
  ) ss.  
County of Maricopa         )

On this the 17<sup>th</sup> day of December 20 13, before me, the undersigned Notary Public, personally appeared Mark Holleran, who acknowledged himself/herself to be the CEO of the Central Arizona Shelter Services, and that (s)he as such official, being authorized to do so, executed the foregoing Subrecipient Contract for and on behalf of the said company for the purpose and consideration therein expressed.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[Signature]  
Notary Public

My Commission Expires:  
12/15/17

**SCOPE OF SERVICES**

**EXHIBIT "A"**

**COMMUNITY DEVELOPMENT BLOCK GRANT PHYSICAL IMPROVEMENTS  
SCOPE OF SERVICE FY 2013-2014**

**A. Project.** Central Arizona Shelter Services (CASS) (“Agency”) will be responsible for administering Family Shelter Physical Improvements Program (“Project”) in a manner satisfactory to the City of Glendale (“City”), and consistent with any standards required by the Community Development Block Grant (“CDBG”) Physical Improvements as a condition of providing these funds.

**B. Eligible Activities.** The Project will include the following eligible activities:

Activity #1 CASS’ Family Shelter, Vista Colina, will purchase durable, bed bug proof furniture (sofas, chairs, etc.) to replace donated dilapidated and bed bug infested furniture in the one-or-two bedroom apartments to reduce the threat of a bed bug infestation.

**C. National Objectives.** All activities funded with CDBG funds must meet one of the U.S. Department of Housing & Urban Development (“HUD”) National Objectives:

- NATIONAL OBJECTIVE #1 – To benefit low and moderate-income persons.
- NATIONAL OBJECTIVE #2 – To aid in the prevention or elimination of slums or blight.
- NATIONAL OBJECTIVE #3 – To meet community development needs having a particular urgency as defined in 24 C.F.R. § 570 208.

**D. Certifications.** The Agency certifies that the activities carried out under the CDBG Physical Improvements Subrecipient Contract (“Subrecipient Contract”) will meet the National Objective by providing: emergency shelter for families experiencing homelessness. Families with children now account for nearly 30% of the homeless population in Maricopa County (DES, 2011). Currently, there are only 7 emergency family shelters in the County, Vista Colina is the 2<sup>nd</sup> largest. Programs and services at Vista Colina are geared toward helping families identify and address the issues related to their homelessness and to help them with employment and housing.

**E. Levels of Accomplishment – Goals and Performance Measures.** The Agency agrees to provide the following Project services:

ACTIVITY	UNITS OF SERVICES	UNDUPLICATED CITY RESIDENTS/HOUSEHOLDS/YEAR
Activity #1	2,200 (Nights)	40

**F. Schedule.** This is an 18-month Project and the Subrecipient Contract is effective \_\_\_\_\_, 2013 to \_\_\_\_\_, 2015.

**G. Agency Staff Contact Information.**

Name: Linda Snidecor  
 Title: Grants Manager  
 Agency: Central Arizona Shelter Services, Inc. (CASS)  
 Address: 230 South 12<sup>th</sup> Avenue  
 City, State, Zip: Phoenix, AZ 85007  
 Telephone No.: 602-256-6945 x3080  
 Fax No.: 602-256-6401  
 Email: [LSnidecor@cassaz.org](mailto:LSnidecor@cassaz.org)

H. Budget.

<b>Community Development Block Grant Physical Improvements Total Project Budget FY 2013-2014</b>			
Line Item	CDBG Allocation	Other Cash Resources	Total Project Budget
	\$14,000	\$1,239,000	\$1,253,000
<b>Personnel Costs:</b>			
Salaries		\$486,000	\$486,000
Payroll Costs (SSI, Medicare, etc.)		\$50,900	\$50,900
Fringe Benefits (Ins, Retire, etc.)		\$78,100	\$78,100
<b>Other Costs:</b>			
Contractual Services		\$84,400	\$84,400
Telephone			
Utilities		\$90,700	\$90,700
Rent		\$178,300	\$178,300
Insurance		\$10,800	\$10,800
Travel/Mileage		\$4,100	\$4,100
Postage			
Duplicating Services			
Membership/Subscriptions			
Advertising			
Office Equipment		\$5,300	\$5,300
Office Supplies & Materials	\$14,000	\$22,100	\$36,100
Other (Operating Expenses)			
Other (Indirect Allocated)		\$227,600	\$227,600
Other			
<b>TOTAL PROJECT EXPENSES</b>	<b>\$14,000</b>	<b>\$1,239,000</b>	<b>\$1,253,000</b>

**BILLING AND REPORTING INFORMATION**

**EXHIBIT "B"**

**EXHIBIT B**  
**BILLING AND REPORTING INFORMATION**

1. This section is very important to the expeditious processing of your Agency's request for reimbursement. Please carefully follow the summary of reimbursement requirements listed below
2. Monthly Billings:
  - 2.1 A letter requesting reimbursement of expenditures must be prepared on the Agency's letterhead. This letter must be reviewed and signed by the Agency's executive director (or authorized signatory). Reimbursement requests must be submitted on a **MONTHLY** basis. (Note: Grants Administration may approve exceptions for "Quarterly billings" on a case-by-case basis.)
  - 2.2 The Project/Program Budget spreadsheet summarizing monthly and year-to-date expenses must be prepared and submitted with each request for reimbursement. This report should also account for other resources utilized under this activity.
  - 2.3 Copies of all supporting documents must be submitted with the reimbursement request. The Agency will work closely with the program/project liaison to establish the specific documentation requirements for this contract. Examples of supporting documentation include copies of timesheets, pay stubs, mileage reports, invoices, statements, receipts, etc.
  - 2.4 The City's reimbursement process takes approximately two to three weeks to complete. (The first reimbursement request can take a little longer to process.) If the reimbursement procedures noted above are not followed correctly, the program/project liaison may return the reimbursement request to the Agency for revisions, or hold the request until all reimbursement requirements have been met. This will delay the reimbursement process.
3. Monthly Report on Accomplishments and Demographics:
  - 3.1 A monthly demographic report on Glendale residents served, including accomplishments and units of service delivered, must be submitted by the 15th of the following month. Failure to file this demographic report timely could also delay the reimbursement process.
  - 3.2 Specific formats to be used for reimbursement requests/performance reports are attached. These formats must be used by the agency unless otherwise authorized.
4. Activity Final Completion Report:
  - 4.1 Public Service Activities: Report On "Performance Measures" for Actual Activity "Outcomes." The report on "Performance Measures for Actual Activity Outcomes," is due by July 31, 2014. This report is to identify the "actual outcomes" produced by your activity over the past program year. "Actual Outcomes" will be measured by and against the "proposed outcomes and performance measures" that were established by your agency at the beginning of the program year.
  - 4.2 Physical Improvement Activities: Report On "Performance Measures" for Actual Activity "Outcomes." The report on "Performance Measures for Actual Activity Outcomes," is due 30 days after completion of the physical improvement activity. This report is to identify the "actual outcomes" produced by your activity after completion of the physical improvement activity. "Actual Outcomes" will be measured by and against the "proposed outcomes and performance measures" that were established by your agency at the beginning of the program year.

###

**AGENCY LETTERHEAD (Required)**

DATE

Charyn Eirich-Palmisano  
City of Glendale  
Neighborhood Revitalization Division  
5850 West Glendale Avenue, Suite 107  
Glendale, AZ 85301

**RE:** *Community Development Block Grant, Physical Improvements*

Dear Ms. Eirich-Palmisano:

Enclosed is the project billing for the month of \_\_\_\_\_, 20\_\_\_\_. The amount of reimbursement expenses being requested is \$\_\_\_\_\_. Also attached is the supporting documentation in accordance with our contract requirements.

If you have any questions, please call me at 623-930-3670.

Sincerely,

Jane Doe (**Authorized Signatory**)  
Executive Director

Enclosure



**FEDERAL LAWS AND REGULATIONS**

**EXHIBIT "C"**

**EXHIBIT C**  
**FEDERAL LAWS AND REGULATIONS**

**1. Applicability of Uniform Administrative Requirements.**

- 1.1 Agencies that are governmental entities (including public agencies) will comply with the requirements and standards of OMB Circular A-87, "Cost Principles for State, Local and Indian tribal Governments," OMB Circular A-133, "Audits of States, Local Governments, and Nonprofit Organizations" (implemented at 24 CFR Part 44); and with the following Sections of 24 CFR Part 85, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments":
- a. Section 85.3, "Definitions."
  - b. Section 85.6, "Additions and exceptions."
  - c. Section 85.12, "Special grant or subgrant conditions for 'high-risk' grantees."
  - d. Section 85.20, "Standards for financial management systems," except paragraph (a).
  - e. Section 85.21, "Payment," except as modified by Section 570.513.
  - f. Section 85.22, "Allowable costs."
  - g. Section 85.26, "Non-Federal audit."
  - h. Section 85.32, "Equipment," except in all cases in which the equipment is sold, the proceeds will be Program Income.
  - i. Section 85.33, "Supplies."
  - j. Section 85.34, "Copyrights."
  - k. Section 85.35, "Subawards to debarred and suspended parties."
  - l. Section 85.36, "Procurement," except paragraph (a).
  - m. Section 85.37, "Subgrants."
  - n. Section 85.40, "Monitoring and reporting program performance," except paragraphs (b) through (d), and paragraph (f).
  - o. Section 85.41, "Financial reporting," except paragraphs (a), (b), and (e).
  - p. Section 85.42, "Retention and access requirements for records," except that the period will be four years.
  - q. Section 85.43, "Enforcement."
  - r. Section 85.44, "Termination for convenience."
  - s. Section 85.51, "Later disallowances and adjustments."
  - t. Section 85.52, "Collection of amounts due."
- 1.2 Agencies, except Agencies that are governmental entities, will comply with the requirements and standards of OMB Circular No. A-122, "Cost Principles for Nonprofit Organizations," or OMB Circular No. A-21, "Cost Principles for Educational Institutions," as applicable, and OMB Circular No. A-133, "Audits of States, Local Governments, and Nonprofit Organizations" (as set forth in 24 CFR part 45). Audits will be conducted annually. Such Agencies will also comply with the following provisions of the Uniform Administrative requirements of OMB Circular No. A-110 (implemented at 24 CFR part 84, "Uniform

Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals and Other Nonprofit Organizations”) or the related CDBG provision, as specified in this paragraph:

- a. Subpart A -- “General”;
- b. Subpart B -- “Pre-Award Requirements,” except for § 84.12, “Forms for Applying for Federal Assistance”;
- c. Subpart C -- “Post-Award Requirements,” except for:
  - (1) Section 84.22, “Payment.” Grantees will follow the standards of § 85.20(b)(7) and 85.21 in making payments to Agencies;
    - (a) Section 84.23, “Cost sharing and matching”;
    - (b) Section 84.24, “Program income.” In lieu of § 84.24, CDBG Agencies will follow § 570.504;
    - (c) Section 84.25, “Revision of budget and program plans”;
    - (d) Section 84.32, “Real property.” In lieu of § 84 32, CDBG Agencies will follow § 570 505;
    - (e) Section 84 34(g), “Equipment.” In lieu of the disposition provisions of § 84.34(g), the following applies:
      - (i) In all cases in which equipment is sold, the proceeds will be Program Income (prorated to reflect the extent to which CDBG funds were used to acquire the Program Income (prorated to reflect the extent to which CDBG funds were used to acquire the equipment), and
      - (ii) Equipment not needed by the Agency for CDBG activities will be transferred to the recipient for the CDBG program or will be retained after activities will be transferred to the recipient for the CDBG program or will be retained after compensating the recipient.
  - (f) Section 84.51(b), (c), (d), (e), (f), (g), and (h), “Monitoring and reporting program performance”;
  - (g) Section 84.52, “Financial reporting”;
  - (h) Section 84 53(b), “Retention and access requirements for records.” Section 84.53(b) applies with the following exceptions:
    - (i) The retention period referenced in § 84.53(b) pertaining to individual CDBG activities will be four years, and
    - (ii) The retention period starts from the date of submission of the annual performance and evaluation report, as prescribed in 24 CFR § 91 520, in which the specific annual performance and evaluation report, as prescribed in 24 CFR § 91.520, in which the specific activity is reported on for the final time rather than from the 24 CFR § 91 520, in which the specific activity is reported on for the final time rather than from the date of submission of the final expenditure report for the award; expenditure report for the award.

(i) Section 84.61, "Termination." In lieu of the provisions of § 84.61 CDBG Agencies will comply with § 570.503(b)(7).

d. Subpart D -- "After-the-Award Requirements," except for § 84.71, "Closeout procedures."

## 2. Equal Opportunity.

- 2.1 The Agency agrees to comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and the HUD regulations under 24 CFR Part 1, which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving Federal financial assistance by way of grant, loan, or contract and will immediately take any measures necessary to effectuate this Contract. If any real property or structure thereof is provided or improved with the aid of Federal financial assistance extended to the Agency, this assurance will obligate the Agency, or in the case of any transfer of such property or structure is used for a purpose of which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.
- 2.2 The Agency agrees to comply with Title VIII of the Civil Rights Act of 1968 (P.L. 90-284), as amended by the Fair Housing Amendments Act of 1988 (P.L. 100-430), and will administer all programs and activities relating to housing and community development in a manner to affirmatively further fair housing within Constitutional limitations throughout the United States.
- 2.3 The Agency agrees to comply with Section 109 of the Housing and Community Development Act of 1974 and 1977, as amended, and in conformance with all requirements imposed pursuant to the regulations of the Department of HUD (24 CFR Part 570.602) issued pursuant to that Section; and in accordance with Equal Opportunity obligations of that Section, no person in the United States will, on the grounds of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, be subjected to discrimination under, any program or activity funded in whole or in part with the Community Development funds. Section 109 of the Act further provides that any prohibition against discrimination on the basis of age, under the Age Discrimination Act of 1975 (24 CFR Part 146), or with respect to an otherwise qualified handicapped person, as provided in Section 504 of the Rehabilitation Act of 1973 (24 CFR Part 8), will also apply to any program or activity funded in whole or in part with funds made available pursuant to the Act.
- 2.4 The Agency agrees to comply with Executive Order 11063 on equal opportunity in housing and related facilities owned or operated by the Federal Government or provided with Federal financial assistance.
- 2.5 The Agency agrees to comply with Executive Order 11246, as amended, requiring nondiscrimination and affirmative action to ensure nondiscrimination in employment by government contractors and subcontractors and under federally assisted construction contractors
- 2.6 The Agency agrees to comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C 1701u), as amended, the HUD regulations issued pursuant thereto (24 CFR Part 135) as follows:
- a The work to be performed under this Contract is on a project assisted under a program providing direct Federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3

of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u); Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns that are located in or owned in substantial part by persons residing in the area of the project.

- b. The parties to this Contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued there under prior to the execution of this Contract. The parties to this Contract certify and agree that they are under no contractual or other disability that would prevent them from complying with these requirements.
- c. The contractor will send to each labor organization or representative or workers, with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advertising the said labor organization or workers' representative of his commitments under this Section 3 clause and will post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- d. The contractor will include this Section 3 clause to every subcontract for work in connection with the project and will, at the direction of the applicant or Community of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR Part 135. The contractor will not subcontract with any subcontractor 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 subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
- e. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued there under prior to the execution of this Contract, will be a condition of the Federal financial assistance provided to the project

- 3. **Subcontracting.** All work or services covered by this Contract, which is subcontracted by the Agency, will be specified by written contract and subject to all provisions of this Contract. All subcontracts must be approved by the City prior to execution.
- 4. **Interest of Certain Federal Officials.** No member of or delegate to the Congress of the United States shall be admitted to any share or part of this Contract or to any benefit to arise from the same.
- 5. **Interest of Members, Officers or Employees of the Agency, Members of Local Governing Body, or Other Public Officials.** No member, officer, or employee of the Agency or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his tenure or for 1 year thereafter, will have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this Contract
- 6. **Hatch Act.** The Agency agrees to comply with all provisions of the Hatch Act and that no part of the program will involve political activities, nor will personnel employed in the administration of the program be engaged in activities in contravention of Title V, Chapter 15, of the United States Code.

7. **Labor Standards Provisions.** The Agency agrees to comply with 24 CFR § 570.603, "Labor Standards" published by HUD for Community Development Block Grants.
8. **Compliance with Environmental Requirements.** The Agency agrees to comply with any conditions resulting from the City's compliance with the provisions of the National Environmental Policy Act of 1969 and the other provisions of law specified at 24 CFR § 58.5 insofar as the provisions of such Act apply to activities set forth in the Statement of Work.
9. **Compliance with Flood Disaster Protection Act.**
  - 9.1 This Contract is subject to the requirements of the Flood Disaster Protection Act of 1973 (P.L. 93-234). No portion of the assistance provided under this Contract is approved for acquisition or construction purposes as defined under Section 3(a) of said Act, for use in any area identified by the Secretary as having special flood hazards, which is located in a community not then in compliance with the requirements for participation in the national flood insurance program pursuant to Section 201(d) of said Act; and the use of any assistance provided under this Contract for such acquisition or construction in such identified areas in communities then participating in the national flood insurance program will be subject to the mandatory purchase of flood insurance requirements of Section 102(a) of said Act.
  - 9.2 Any contract or agreement for the sale, lease, or other transfer of land acquired, cleared, or improved with assistance provided under this Contract shall contain, if such land is located in an area identified by the Secretary as having special flood hazards and in which the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4001 et seq., provisions obligating the transferee and its successors or assigns to obtain and maintain, during the ownership of such land, such flood insurance required with respect to financial assistance for acquisition or construction purposes under Section 102(2) of Flood Disaster Protection Act of 1973. Such provisions will be required notwithstanding the fact that the construction of such land is not itself funded with assistance under this Contract.
10. **Compliance with Air and Water Acts.**
  - 10.1 This Contract is subject to the requirements of the Clean Air Act, as amended, 42 U.S.C. 1857 et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.; and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 15, as amended from time to time.
  - 10.2 In compliance with said regulations, the City will cause or require to be inserted in full in all contracts and subcontracts with respect to any nonexempt transaction thereunder funded with assistance provided under this Contract, the following requirements:
    - a. A stipulation by the contractor or subcontractor that any facility to be utilized in the performance of any nonexempt contract or subcontract is not listed on the list of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 CFR § 15.20.
    - b. Agreement by the contractor to comply with all the requirements of Section 114 of the Clean Air Act, as amended (42 U.S.C. 1857c-8), and Section 308 of the Federal Water Pollution Control Act, as amended, (33 U.S.C. 1318) relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder

- c. A stipulation that as a condition for the award of the contract, prompt notice will be given of any notification received from the director, Office of Federal Activities EPA, indicating that a facility utilized or to be utilized for the contract is under consideration to be listed on the EPA list of Violating Facilities.
- d. Agreement by the contractor that he will include or cause to be included the criteria and requirements in paragraphs (a) through (d) of this section in every nonexempt subcontract and requiring the contractor to take such action as the Government may direct as means of enforcing such provisions.
- e. In no event will any amount of the assistance provided under this Contract be utilized with respect to a facility that has given rise to a conviction under Section 113(c)(1) of the Clean Air Act or Section 309(c) of the Federal Water Pollution Control Act.

11. **Historic Preservation.** This Contract is subject to the requirements of P.L. 89-665, the Archaeological and Historic Preservation Act of 1974 (P.L. 93-291), Executive Order 11593, and the procedures prescribed by the Advisory Council on Historic Preservation in 36 CFR Part 800. The City must take into account the effect of a project on any district, site, building, structure, or object listed in or found by the Secretary of the Interior, pursuant to 35 CFR Part 800, to be eligible for inclusion in the National Register of Historic Places, maintained by the National Park Service of the U. S. Department of the Interior, and must make every effort to eliminate or minimize any adverse effect on a historic property.
12. **Historic Barriers.** This Contract is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151) and its regulations. Every building or facility (other than a privately owned residential structure) designed, constructed, or altered with CDBG funds must comply with requirements of the "American Standards Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped."
13. **Lead-Based Paint.** This Contract is subject to the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821 et seq.), and Lead-Based Paint Regulations (24 CFR Part 35 and 24 CFR § 570.608 and/or 92.335), and related amendments thereto. The use of lead-based paint is prohibited whenever federal funds are used directly or indirectly for the construction, rehabilitation, or modernization of residential structures. All federally assisted residential structures and related property constructed prior to 1978, Homebuyer Programs, Tenant-Based Rental Assistance, and Special-Needs Housing (acquisition), will comply with existing and new Lead-Based Paint Hazard Reduction Requirements, effective September 15, 2000. As the Grantor or Participating Jurisdiction, the City of Glendale shall be consulted regarding the Agency/Grantee's compliance status.
14. **Property Disposition.** Real or personal property purchased in whole or in part with CDBG funds shall not be disposed through sale, use, or location without the written permission of the City. The proceeds from the disposition of real property will be considered Program Income and subject to 24 CFR § 570.504(c).
15. **Lobbying.** Block Grant funds shall not be used for publicity or propaganda purposes designed to support or defeat legislation proposed by federal, state, or local governments.
16. **Acquisition/Relocation.** This Contract is subject to providing a certification that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, implementing regulations at 49 CFR Part 24, and 24 CFR Part 511.14, which govern the acquisition of real property for the project and provision of relocation assistance to persons displaced as a direct result of acquisition, rehabilitation, or demolition for the project.

17. **Section 504.** The Agency agrees to comply with any federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against the handicapped in any federally assisted program.
18. **Federal Fire Prevention and Control Act of 1992.** The Fire Administration Authorization Act of 1992 added a new Section 31 to the Federal Fire Prevention and Control Act of 1974. This Section requires that approved smoke detectors be installed in all houses assisted under the Community Development Block Grant Program. To comply with this requirement and locally adopted codes Agency shall install smoke detectors in all sleeping areas and any hallway connecting these sleeping areas.

###

**INCOME LIMITS**

**EXHIBIT "D"**

**EXHIBIT D**  
**INCOME LIMITS**

(See attached)

## CDBG/ESG/HOME PROGRAMS

### 2013 Program Income Limits

**EFFECTIVE: 12/11/2012**

<b>Household Size</b>	<b>Median Income (\$)</b>	<b>30% of Median Income (\$)</b>	<b>50% of Median Income (\$)</b>	<b>60% of Median Income (\$)</b>	<b>80% of Median Income (\$)</b>
<b>1 Person</b>	44,200	13,300	22,100	26,520	35,350
<b>2 Persons</b>	50,500	15,200	25,250	30,300	40,400
<b>3 Persons</b>	56,800	17,100	28,400	34,080	45,450
<b>4 Persons</b>	63,100	18,950	31,550	37,860	50,500
<b>5 Persons</b>	68,200	20,500	34,100	40,920	54,550
<b>6 Persons</b>	73,200	22,000	36,600	43,920	58,600
<b>7 Persons</b>	78,300	23,500	39,150	46,980	62,650
<b>8 Persons</b>	83,300	25,100	41,650	49,980	66,700
<b>9 Persons</b>	89,900	27,100	44,950	54,000	72,050
<b>10 Persons</b>	97,100	29,250	48,550	58,350	77,850

#### Household Income Limits/Annual Gross Wages

(\*Revised per HUD 12-11-12)

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**ADDITIONAL REQUIREMENTS**

**EXHIBIT "E"**

**EXHIBIT E**  
**ADDITIONAL REQUIREMENTS**

See attached requirements.

- 1 Procurement
- 2 Disputes/Grievance Procedure
- 3 Right to Refuse Service

## PROCUREMENT

1. The Agency agrees to comply with federal procurement requirements and the City's procurement code for all expenditures of funds. Below is an overview of the procurement requirements.
  - 1.1 Purchases over \$50,000 must be publicly bid.
  - 1.2 Purchases between \$10,001 and \$50,000 must follow competitive purchasing procedures based on written quotations.
  - 1.3 Purchases of \$5,000 to \$10,000, whenever practical, must be based on oral quotations, with file documentation of vendors contacted and quotations received
  - 1.4 Purchases under \$5,000 do not require written or oral quotations.
  - 1.5 Expenditures for employee salaries or items such as client subsidies would not generally be subject to procurement requirements. (Such items do not generally constitute purchases.)
2. The Agency agrees to adopt a written procurement policy that, at a minimum, complies with the above procurement requirements, and to follow accounting procedures that will assure compliance with federal and city procurement codes.
3. The Agency further agrees to retain sufficient supporting documentation to demonstrate compliance with these requirements. Examples include, but are not limited, to the following:
  - 3.1 Copies of bid documents;
  - 3.2 Written quotations; and
  - 3.3 Evidence of oral quotations

###

## **DISPUTES/GRIEVANCE PROCEDURE**

1. The Agency agrees to negotiate and resolve any disputes in the delivery of activities stated herein and will inform the City in writing of such negotiations and resolutions.
2. In the event the issue is not resolved, the City will confer with all parties to understand the issue, if appropriate, offer guidance, and try and reach an amicable solution.

###

## **RIGHT TO REFUSE SERVICE**

The City reserves the right to refuse, terminate, or suspend service or accounts to an individual, company, or agency, if the City believes that conduct or actions violate applicable law, is harmful to the interests of the City of Glendale and its affiliates, or meets the criteria covered under City's Right to Refuse Assistance Policy. Legal counsel will be consulted before such action is undertaken, unless an emergency exists.

###

**INSURANCE CERTIFICATE**

**EXHIBIT "F"**

**EXHIBIT F**  
**INSURANCE CERTIFICATE**

The Certificate of Insurance will contain the following information:

**Item One:**

- A. Commercial General Liability coverage with limits not less than \$1 million per occurrence, \$100,000 for property damage liability, and \$2 million aggregate.
- B. Unless a sole proprietorship, Agency shall carry Arizona Statutory Workers Compensation and Employers' Liability coverage.

**Item Two:** City of Glendale will be named Certificate Holder.

**Item Three:** City of Glendale will be named as "additional insured."

**Item Four:** The Certificate of Insurance will provide a 30-day notice to the City of Glendale for cancellation, non-renewal, or material change and must be an "occurrence," not a "claims made" policy.

**Item Five:** General Requirement for the Insuring Company:

- A. The insurance company underwriting the policy will have a Best Rating of B++ or better. Please request that your insurance provider supply some form of verification of the best rating of B++ or better.
- B. The insurance company underwriting the policy will **be licensed in the State of Arizona**.
- C. If the Certificate of Insurance contains a section page which notes: "Important, if the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s)." Insurance Certificates containing this clause will not be accepted without an **"endorsement" stating, "the City of Glendale is included as an 'additional insured' on the policy."**

###



**NOTEPAD**

INSURED'S NAME Central Arizona Shelter

CENTR-1  
OP ID: LE

PAGE 2  
DATE 10/09/13

Current coverage is Primary and Non Contributory. Waiver of Subrogation applies. Sexual Abuse \$1,000,000, Aggregate \$1,000,000, Claims made coverage. No deductible applies. Blanket Contractual Liability applies per policy conditions, definitions and exclusions. Includes written and oral contracts as defined under an "Insured Contract".

**LOAN DOCUMENTS**

**EXHIBIT "G"**

**EXHIBIT G**  
**DEED OF TRUST AND PROMISSORY NOTE**

(See attached)

WHEN RECORDED, RETURN TO:

City of Glendale  
City Clerk  
5850 West Glendale Avenue  
Glendale, Arizona 85301

DEED OF TRUST AND ASSIGNMENT OF RENTS

DATE: November 8, 2013

TRUSTOR: Central Arizona Shelter Services, Inc.  
ADDRESS: 230 South 12<sup>th</sup> Avenue  
Phoenix, Arizona 85007

BENEFICIARY: City of Glendale  
(ADDRESS): 5850 West Glendale Avenue  
Glendale, Arizona 85301

TRUSTEE: City of Glendale.  
(ADDRESS): 5850 West Glendale Ave  
Glendale, Arizona 85301

SUBJECT REAL PROPERTY in Maricopa County, State of Arizona, described in the Legal Description attached as Exhibit A ("Property").

This Deed of Trust and Assignment of Rents ("Deed of Trust") is made between the Trustor, Trustee and Beneficiary above named.

WITNESSETH: That Trustor irrevocably grants and conveys to Trustee in Trust, with Power of Sale, the above described real property, together with: (1) all buildings, improvements and fixtures now or hereafter placed thereon; (2) all existing leases, and all future leases executed with respect to such property; (3) all rents, issues, profits and income thereof (all of which are hereinafter called "property income"); (4) all classes of property now, or at any time hereafter, attached to or used in any way in connection with the use, operation or occupancy of such property; (5) all property, rights, permits and privileges now or hereafter owned by Trustor or now or hereafter appurtenant to such property, which entitle Trustor or such property to receive water or electrical power for use thereon; all property granted, transferred and assigned to Trustee hereunder is hereafter referred to as the "Property," and Trustor warrants that it is well and truly seized of a good and marketable title in fee simple to the real property hereby conveyed; that the title to all property conveyed by this Deed of Trust is clear, free and unencumbered, and Trustor will forever warrant and defend the same unto Beneficiary, its successors and assigns, against all claims whatsoever;

SUBJECT, HOWEVER, to the right, power, and authority hereinafter given to and conferred upon Beneficiary to collect and apply such property income;

AND SUBJECT TO any easements and restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Beneficiary's interest in the Property.

**1. For the Purpose of Securing:**

- 1.1 Performance of each agreement of Trustor herein contained.
- 1.2 Payment of the indebtedness evidenced by promissory note or notes of even date herewith, and any extension or renewal thereof, in the principal sum of (\$14,000) executed by Trustor in favor of Beneficiary or order.
- 1.3 Payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a promissory note or notes that are secured by this Deed of Trust.

**2. To Protect the Security of this Deed of Trust, Trustor covenants and agrees:**

- 2.1 To keep the Property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged, or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefore; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer, or permit any act upon said property in violation of law; and to do all other acts which from the character or use of the Property may be reasonably necessary, the specific enumerations herein not excluding the general.
- 2.2 To keep all improvements now or hereafter erected on said property continuously insured against loss by fire or other hazards specified by Beneficiary in an amount not less than the total obligation secured hereby. All policies will be held by Beneficiary and be in such companies as Beneficiary may approve and have loss payable first to Beneficiary, as his interest may appear and then to Trustor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured and in such order as Beneficiary may determine or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release will not cure or waive any default hereunder nor cause discontinuance of any action that may have been or may thereafter be taken by Beneficiary or Trustee because of such default.
- 2.3 To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses of Beneficiary or Trustee, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear or be named, and in any suit brought by Beneficiary to enforce this Deed of Trust.
- 2.4 To pay before delinquent, all taxes and assessments affecting said property; when due, all encumbrances, charges and liens, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees, and expenses of this Trust, including, without limiting the generality of the foregoing, the fees of Trustee for issuance of any Deed of Partial Release and Partial Reconveyance or Deed of Release and Full Reconveyance and all lawful charges, costs, and expenses in the event of reinstatement of, following default in, this Deed of Trust or the obligations secured hereby.
- 2.5 Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: Make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ

counsel, and pay his reasonable fees. All amounts so paid, together with interest thereon at the same rate as is provided for in the note secured by this Deed of Trust or at the highest legal rate, whichever is greater, will be part of the debt secured by this Deed of Trust and a lien on the above property.

- 2.6 To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, together with interest from date of expenditure at the same rate as is provided for in the note secured by this Deed of Trust or at the highest legal rate, whichever is greater. Any amounts so paid by Beneficiary or Trustee will become part of the debt secured by this Deed of Trust and a lien on the Property and immediately due and payable at option of Beneficiary or Trustee.

**3. It is Mutually Agreed:**

- 3.1 That any award of damages in connection with any condemnation or any taking, or for injury to the Property by reason of public use, or for damages for private trespass or injury thereto, is assigned and will be paid to Beneficiary as further security for all obligations secured hereby (reserving unto Trustor, however, the right to sue therefore and the ownership thereof, subject to this Deed of Trust), and upon receipt of such moneys Beneficiary may hold the same as such further security, or apply or release the same in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
- 3.2 That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay. Without affecting the obligation of Trustor to pay and perform as herein required; without affecting the personal liability of any person for payment of the indebtedness secured hereby; and without affecting the lien or priority of lien hereof on the Property, Beneficiary may, at its option, extend the time for payment of said indebtedness, or any part thereof, reduce the payment thereon, release any person liable on any of said indebtedness, accept a renewal note therefore, modify the terms of said indebtedness, take or release other or additional security, or join in any extension or subordination agreement. Any such action by Beneficiary or the Trustee at Beneficiary's direction may be taken without the consent of any junior lienholder, and will not affect the priority of this Deed of Trust over any junior lien. Time is of the essence of this Deed of Trust.
- 3.3 That at any time or from time to time, and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said note(s) for endorsement, and without liability therefore, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, and without affecting the security hereof for the full amount secured hereby on all property remaining subject hereto, and without the necessity that any sum representing the value or any portion thereof of the property affected by the Trustee's action be credited on the indebtedness, the Trustee may. (a) release and reconvey all or any part of said property; (b) consent to the making and recording, or either, of any map or plat of the property or any part thereof; (c) join in granting any easement thereon, (d) join in or consent to any extension agreement of any agreement subordinating the lien, encumbrance or charge hereof. Any Trustor signing this Trust as a surety or accommodation party or that has subjected the Property to this Trust to secure the debt of another, expressly waives the benefits of A.R.S. § 12-1641.
- 3.4 That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said note(s) to Trustee for cancellation and retention, and upon payment of its fees, Trustee will release and reconvey, without covenant or warranty, express or implied, the property then held hereunder, the recitals in such

reconveyance, of any matters or facts, will be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

- 3.5 That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power, and authority, during the continuance of this Trust, to collect the property income, reserving to Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such property income as it becomes due and payable. Upon any such default Beneficiary may at any time, without notice either by person, by agent, or by receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured or the solvency of the Trustor, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such property income, including that past due and unpaid and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees of Beneficiary and Trustee, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such property income, and the application thereof as aforesaid, will not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice. Beneficiary will expressly have all rights provided for in A.R.S. §§ 33-702(B) and 33-807.
- 3.6 That upon default by Trustor in the payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice thereof, setting forth the nature thereof, and of election to cause to be sold the Property under this Deed of Trust. Beneficiary also will deposit with Trustee this Deed of Trust, said note(s), and all documents evidencing expenditures secured hereby.
- 3.7 Trustee will record and give notice of Trustee's sale in the manner required by law, and after the lapse of such time as may then be required by law, Trustee will sell, in the manner required by law, said property at public auction at the time and place fixed by it in said notice of Trustee's sale to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee at its discretion may postpone or continue the sale from time to time by giving notice of postponement or continuance by public declaration at the time and place last appointed for the sale. Trustee will deliver to such purchaser its Deed of Trust conveying the property so sold, but without any covenant or warranty, expressed or implied. Any persons, including Trustor, Trustee or Beneficiary, may purchase at such sale. The purchaser at the Trustee's sale will be entitled to immediate possession of the Property as against the Trustee or other persons in possession and will have a right to the summary proceedings to obtain possession provided in Title 12, Chapter 8, Article 4, Arizona Revised Statutes, together with costs and reasonable attorney's fees.
- 3.8 After deducting all costs, fees, and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale and reasonable attorney's fees of Beneficiary and Trustee, Trustee will apply the proceeds of sale to payment of: all sums then secured hereby and all other sums due under the terms hereof, with accrued interest; and the remainder, if any, to the person or persons legally entitled thereto, or as provided in A.R.S. § 33-812. To the extent permitted by law, an action may be maintained by Beneficiary to recover a deficiency judgment for any balance due hereunder. In lieu of sale pursuant to the power of sale conferred hereby, this Deed of Trust may be foreclosed in the same manner provided by law for the foreclosure of mortgages on real property. Beneficiary will also have all other rights and remedies available to it hereunder and at law or in equity. All rights and remedies will be cumulative.

- 3.9 That Beneficiary may appoint a successor Trustee in the manner prescribed by law. Trustor and Beneficiary authorize Trustee, in the event any demand or notice is made or tendered to it concerning this trust or the property, to hold any money and documents and to withhold action or performance until an action will be brought in a court of competent jurisdiction to determine the rights asserted or the property of the demand, notice or action requested and Trustee will be without liability or responsibility for awaiting such court action. A Successor Trustee herein will without conveyance from the predecessor Trustee, succeed to all the predecessor's title, estate, rights, powers, and duties. Trustee may resign at any time by mailing or delivering notice thereof to Beneficiary and Trustor and having so resigned will be relieved of all liability and responsibility to Trustor, Beneficiary or otherwise hereunder. "Trustee" herein will include all successor trustees. Trustee will not be liable for any action taken in its discretion and in good faith, or upon advice of counsel, or upon any information supplied or direction given by Beneficiary. Unless Trustee is adjudged grossly negligent or guilty of intentional wrongdoing or breach of contract, Trustor and Beneficiary will, upon demand, indemnify and hold harmless Trustee against all costs, damages, attorney's fees, expenses and liabilities which it may incur or sustain in connection with this Deed of Trust or any foreclosure or sale hereof or any court or other action or proceeding arising here from.
- 3.10 That this Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "Beneficiary" will mean the owner and holder of the note(s) secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so required, the masculine gender includes the feminine and neuter, and the singular number includes the plural.
- 3.11 That Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee may but is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee will be a party, unless brought by Trustee.

The undersigned Trustor requests that a copy of any notice of Trustee's sale hereunder be mailed to him at his address set forth above.

*(See Next Page for Signatures)*

"Trustee"

*B. Fischer*

Brenda S Fischer  
City Manager

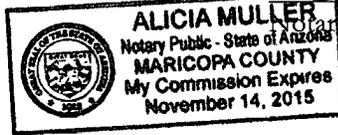
STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

SUBSCRIBED AND SWORN to before me this 2 day of January, 2014, 2013, by Brenda S. Fischer, the City Manager for the City of Glendale who signed the above document.

*Alicia Muller*

My Commission Expires:

November 14, 2015



Notary Public

"Trustor"



ANN M. D'AMICO  
Notary Public - Arizona  
Maricopa County  
Expires 12/15/2017

*Mark Holleran*

Signature

Name

Title

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

SUBSCRIBED AND SWORN to before me this 17<sup>th</sup> day of December, 2013, by Mark Holleran, the CEO for the Trustor who signed the above document.

*A. M. D'Amico*

Notary Public

My Commission Expires:

12/15/17

**Do not destroy this Deed of Trust and Assignment of Rents OR the Promissory Note which it secures. Both must be delivered to the Trustee for cancellation before release and conveyance will be made.**

EXHIBIT "A"

NO. 201-800-1172828

Lot 25, of IRONWOOD PLACE, according to the plat of record in the office of the County Recorder of Maricopa County, Arizona, recorded in Book 36 of Maps, Page 33.

Unofficial Document

# IRONWOOD PLACE

A SUBDIVISION OF  
THE SE 1/4 NE 1/4 SECTION 30  
T3N R3E G1SR B1M  
MARICOPA COUNTY ARIZON  
F N HOLMQUIST - ENG NEER  
JOB N 3224 MAP N D2947  
SCALE - 1 INCH = 100 FEET



This is to certify that the survey and subdivision of the premises described and plotted hereon was made in conformity with the laws of the State of Arizona on the 14th day of November 1946.

F. N. Holmquist  
F. N. Holmquist  
Registered Civil Engineer

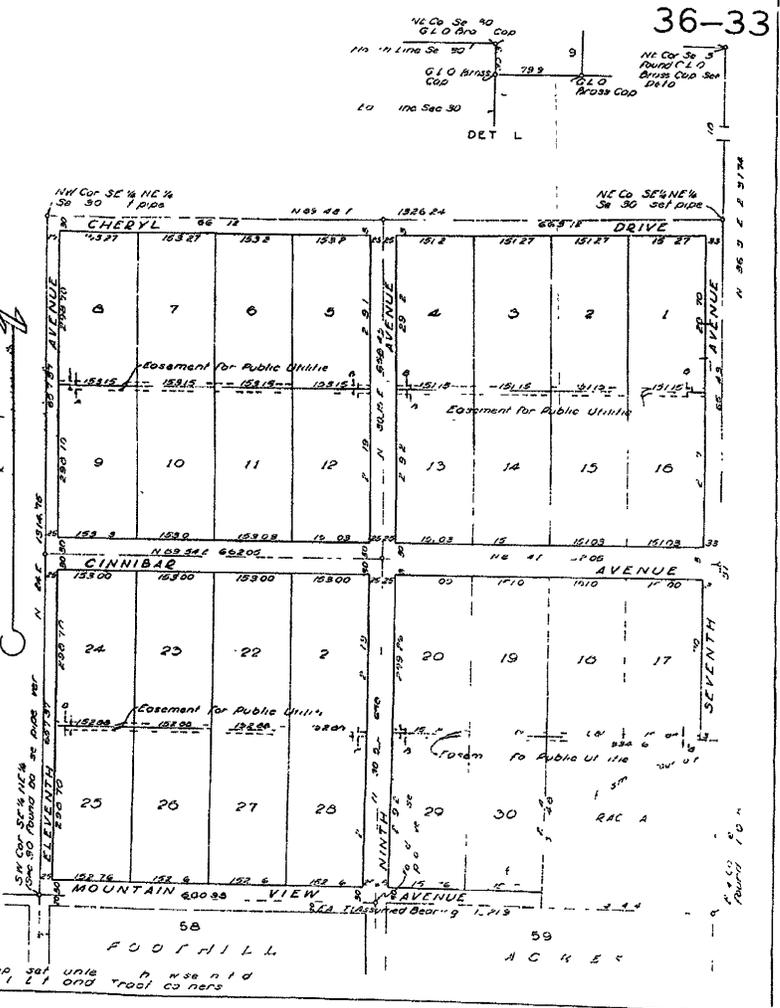
State of Arizona  
County of Maricopa  
I, the undersigned, do hereby certify that the Phoenix Title and Trust Company on the 14th day of November 1946, subdivided under the name of Ironwood Place the SE 1/4 NE 1/4 Section 30 T3N R3E G1SR B1M Maricopa County Arizona and hereby publishes this plat as and for the plat of said town of place and lots and easements and dimensions of the lots, streets and easements and that each lot is numbered and each lot is known by the number of the lot and that the lot is given to each lot as shown on the plat and that the Phoenix Title and Trust Company as trustee hereby conveys to the public to use as a residential subdivision and included in the above plat of the same easements shown on said plat are hereby conveyed to the use of the public.



INDEXED  
FACED  
\$45.00



RECORDED  
NOV 15 1946



FOOTHILL  
MOUNTAIN VIEW AVENUE  
A C H E S

WHEN RECORDED, RETURN TO:

City of Glendale  
City Clerk  
5850 West Glendale Avenue  
Glendale, Arizona 85301

PROMISSORY NOTE  
DEFERRED LOAN

Loan Amount: \$14,000 00

Glendale, Arizona

Date: November 8, 2013

FOR VALUE RECEIVED, the undersigned jointly and severally promise(s) to pay to the order of the City of Glendale, an Arizona municipal corporation (City), or its successors, the principal sum of Fourteen Thousand Dollars and 00/100 (\$14,000 00). This Promissory Note ("Note") is made on a 10-year Deferred Loan, non-interest bearing basis on and is secured by a Deed of Trust and Assignment of Rents ("Deed of Trust")

This Note shall become due and payable upon any transfer, voluntary, involuntary, or by operation of law, of the Property identified in the Deed of Trust within ten years from the date of this Note, or at any time within ten years from the date of this Note undersigned ceases to occupy or use the property to provide Family Shelter Physical Improvement Program. This Note is secured by a Deed of Trust executed by the undersigned naming the City of Glendale as Beneficiary; which Deed of Trust and this Note are security for the obligations of the undersigned contained in the Subrecipient Contract – Nonprofit Corporations Community Development Block Grant Program Physical Improvements executed by the parties on November 8, 2013

The amount due at such time shall be the amount of the current fair market value of the property less any portion attributable to non-Community Development Block Grant ("CDBG") funds involved in the rehabilitation improvements to the Property. The current fair market value of the Property shall be established by independent appraisal. The portions of fair market value attributable to CDBG and non-CDBG funds shall be established at completion of the rehabilitation improvements through a subsequent appraisal. Appraisals completed to determine such values shall be at the sole cost and expense of the City

If at the end of the term of this Note, the undersigned has continuously provided the services and complied with the provisions of the above referenced subrecipient agreement, the City shall consider the obligations of this Note to have been met and shall consider its security interest in the property to be released to the undersigned

Should default be made in the payment of any amount when due, or should the undersigned default on any obligation owed to the City under the terms of this Note or the Deed of Trust providing security, therefore, the whole sum of principal shall become immediately due and payable at the option of the holder of this Note

If suit or action is instituted by City to recover on this Note, the undersigned agrees to pay reasonable attorney's fees and costs in addition to the amount due on the Note

Diligence, demand, protest and notice of demand and protest are hereby waived and the undersigned hereby waives, to the extent which otherwise would apply to the debt evidenced by this Note. Consent is hereby given to the extension of time of payment of this Note, without notice.

The undersigned reserves the right to repay at any time all of the principal amount of this Note in a single payment without the penalties, discount or premiums.



**CERTIFICATIONS**

**EXHIBIT "H"**

**EXHIBIT H  
CERTIFICATIONS**

See attached Certifications:

1. Policy of Nondiscrimination on the Basis of Disability.
2. Section 319 of Public Law 101-121.
3. Contracting with Small and Minority Firms, Women's Business Enterprises and Labor Surplus Area Firms.
4. Drug-Free Workplace.

###

**POLICY OF NONDISCRIMINATION ON THE  
BASIS OF DISABILITY**

The undersigned representative agrees, on behalf of Client, to have or adopt a Policy of Nondiscrimination on the Basis of Disability. Such Policy will state that the Agency does not discriminate on the basis of disabled status in the admission or access to, or treatment or employment in, its federally assisted programs or activities.



\_\_\_\_\_  
Signature

12/15/13

\_\_\_\_\_  
Date

**SECTION 319 OF PUBLIC LAW 101-121**

The Undersigned certifies, to the best of his or her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, 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
2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned will require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements), and that all agencies will certify and disclose accordingly.

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

  
\_\_\_\_\_  
Signature

12/15/13  
\_\_\_\_\_  
Date

**CONTRACTING WITH SMALL AND MINORITY FIRMS,**

**WOMEN'S BUSINESS ENTERPRISES AND LABOR SURPLUS AREA FIRMS**

1. It is a national policy to award a fair share of contracts to small and minority business firms. Accordingly, affirmative steps must be taken to assure that small and minority businesses are utilized when possible as sources of supplies, equipment, construction, and services. Affirmative steps will include the following:
  - 1.1 Qualified small and minority businesses on solicitation lists
  - 1.2 Assuring that small and minority businesses are solicited whenever they are potential sources, and to the greatest extent possible that these businesses are located within the metropolitan area.
  - 1.3 When economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum small and minority business participation.
  - 1.4 Where the requirement permits, establish delivery schedules which will encourage participation by small minority businesses.
  - 1.5 Using the services and assistance of the Small Business Administration, and the Office of Minority Business Enterprises of the Department of Commerce and the Community Services Administration as required.
  - 1.6 If any subcontracts are to be let, requiring the prime contractor to take the affirmative steps in §§ 1.1 through 1.5. Grantees will take similar appropriate action in support of women's enterprises.
  - 1.7 To the greatest extent feasible, opportunities for training and employment will be given to low and moderate income persons residing within the metropolitan area.
2. The above-described equal opportunity requirements are obligations of the City of Glendale because federal funds are being utilized to finance the Project to which this Project pertains.
3. In executing any contract, the Agency agrees to comply with the requirements and to provide appropriate documentation at the request of the City

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

12/15/13

## DRUG-FREE WORKPLACE

The Agency certifies that it will maintain a drug-free workplace in accordance with the requirements of 24 CFR Part 24, Subpart F by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Agency's workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Establishing an ongoing drug-free awareness program to inform employees about:
  - 2.1 The dangers of drug abuse in the workplace;
  - 2.2 The Agency's policy of maintaining a drug-free workplace;
  - 2.3 Any available drug counseling, rehabilitation and employee assistance programs; and
  - 2.4 The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1.
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will:
  - 4.1 Abide by the terms of the statement; and
  - 4.2 Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.
5. Notifying the City in writing, within ten calendar days after receiving notice under paragraph 4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice will include the identification number(s) of each affected grant
6. Taking one of the following actions, within 30 calendar days of receiving notice under paragraph 4.2, with respect to any employee who is so convicted:
  - 6.1 Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
  - 6.2 Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, local health requirements, law enforcement, or other appropriate agency.
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of the above-described paragraphs.

\_\_\_\_\_  
Signature

12/15/13  
\_\_\_\_\_  
Date