

SUBRECIPIENT CONTRACT - NONPROFIT CORPORATIONS

CITY OF GLENDALE, ARIZONA
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
PHYSICAL IMPROVEMENTS
FY 2014-2015

This Subrecipient Contract ("Contract") is executed this 1 day of September, 2014 by and between Heart for the City, 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 Empowering Kids After School 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 \$79,424.00 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 September 1, 2014 and will terminate on August 31, 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 is litigation, claims, audits, negotiations or other actions that involve any of the records cited commenced before the expiration of the six 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. Such reports shall be generated and retained for each month the contract remains in effect.

and 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 to all pertinent books, documents and papers for purposes of monitoring, auditing, and examining performance. 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 the Agency is rendered in its capacity as an independent contractor and that the Agency is in no way an agent of the City.

8.8 Indemnification and Hold Harmless Indemnify, defend and hold harmless the City, and its elected officials, 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 at the direction or under the control of 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 gross 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 Title 24, Subtitle A, Part 84, subpart B § 84.16 of the Resource Conservation and Recovery Act ("RCRA") (Pub L 94-580, 42 U.S.C. § 6962), which requires that any state agency or agency of a political subdivision of a state which is using appropriated Federal funds must comply with Section 6002. Section 6002 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. Accordingly, 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, temporarily withhold any payment due in accordance with Section 3 herein, withhold future grant awards or take other appropriate legal action if the Agency materially fails to comply with any term of the CDBG grant award or any term or condition 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

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.)

SCOPE OF SERVICES

EXHIBIT "A"

**COMMUNITY DEVELOPMENT BLOCK GRANT
PHYSICAL IMPROVEMENT PROJECTS
SCOPE OF SERVICE FY 2014-2015**

- A. Program Activity.** Heart for the City (“Agency”) will be responsible for administering the Empowering Kids After School Program (“Project”) in a manner satisfactory to the City of Glendale (“City”), and consistent with any standards required by Community Development Block Grant Program (“CDBG”) Physical Improvement Project as a condition of providing these funds
- B. Description.** Agency will input the description of Project to be funded and what portion of the Project CDBG funds will be used for

The Empowering Kids After School Program will provide unsupervised youth with a place to go, to learn healthier coping methods, learn how to interact with others and gain exposure to technology all the while getting their homework finished. The CDBG funds will be used to install a water meter to provide a water source for the garden. The funds will also be used to purchase and install a perimeter fence and buy paint for a mural along the existing block wall. The funds will be used to build a gazebo in the garden, build a tool shed, install pavers between planting beds. The funds will be used to purchase of citrus trees, fruits trees, vegetable seeds, compost, and tools for gardening and maintain on the garden. CDBG funds will be used to pay the monthly water bill for the community garden.

- 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 activity (ies) carried out under the CDBG Physical Improvement Subrecipient Contract (“Subrecipient Contract”) will meet the National Objective(s) by providing.

Heart for the City reaches out to youth in lower-income neighborhoods. While historically, our programs have been introduced to middle-school aged youth with the advent of our gardening program, we will be able to extend the reach of our programs to 4th and 5th graders. Once these kids reach junior high, we provide new opportunities that they could not afford such as organized football or volleyball programs, summer camps or private schooling. Within these programs, we help them walk through the struggles and pressures inner city life brings. At the start of every scheduled session, coaching and mentoring focuses on processing emotions and scrutinizing the events of their day. Kids in the inner city have a tendency to suffer from post-traumatic stress and attention disorders due to the dangers they face every day. We expose them to new lifestyle choices encouraging healthier diets through our community gardening program. By providing the nutrients they need to help their body and brain function in a healthier way, we will be making eating healthy fun. But, we don't stop there. Our programs can also take them through high school, help them cast visions for college and beyond with our workforce development opportunities at our coffeehouse. The long-term developmental nature of our programs helps expose them to the possibilities that the world is bigger than those inherited by their own inner city neighborhood walls. Many are never exposed to possibilities beyond those walls.

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

| ACTIVITY | UNITS OF SERVICES | UNDUPLICATED CITY RESIDENTS/HOUSEHOLDS/YEAR |
|---|-------------------|--|
| Activity #1 After School Program | 485 | 485 |
| Activity #2 | | |
| Activity #3 | | |
| Activity #4 | | |

F. Time of Performance. This is 12 months Subrecipient Contract. The Subrecipient Contract is effective _____, 2014 to _____, 2015

G. Agency Staff Contact Information.

Name: **Joe Eriquez**
 Title: **Executive Director**
 Agency: **Heart for the City**
 Address: **P.O. Box 2**
 City, State, Zip **Glendale, AZ 85311**
 Telephone No.: **602-499-5059**
 Fax No. **623-487-1912**
 Email. **jeriquez@cox.net**

H. Budget.

| Community Development Block Grant Physical Improvement Project Total Project Budget FY 2014-2015 | | | |
|---|--------------------|-------------------------|-------------------------|
| Line Item | CDBG Allocation | Other Cash Resources | Total Project Budget |
| Personnel Costs: | | | |
| Salaries(include number of employees) | \$52,330.00 | \$23,870.00 | \$76,200.00 |
| Payroll Costs (SSI, Medicare, etc.) | 0 | \$7,810.50 | \$7,810.50 |
| Fringe Benefits (Ins , Retire , etc) | 0 | 0 | 0 |
| Other Costs: | | | |
| Contractual Services | | \$8,400.00 | \$8,400.00 |
| Total Land Costs | 0 | 0 | 0 |
| Project Utilities Costs. | 0 | 0 | 0 |
| Architectural or Engineering Costs | 0 | 0 | 0 |
| Project Construction Insurance | 0 | \$10,500.00 | \$10,500.00 |
| Development Costs | 0 | 0 | 0 |
| Permits and Fees | 0 | 0 | 0 |
| Financing: | 0 | 0 | 0 |
| Construction Hard Costs. | 0 | 0 | 0 |
| Construction Soft Costs, | 0 | 0 | 0 |
| Legal Fees | 0 | 0 | 0 |
| Appraisal Cost | 0 | 0 | 0 |
| Other Costs associated with the Project | \$26,670.00 | \$122,080.00 | \$148,750.00 |

| | | | |
|-------------------------------|--------------------|---------------------|---------------------|
| Homebuyer Assistance Provided | \$ | \$ | \$ |
| TOTAL PROJECT EXPENSES | \$79,000.00 | \$172,660.50 | \$251,660.50 |

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, 2015. 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)

Sample

DATE

Gilbert Lopez
City of Glendale
Neighborhood Revitalization Division
5850 West Glendale Avenue
Glendale, Arizona 85301

Re: Community Development Block Grant, Physical Improvements

Dear Mr Lopez

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 _____.

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 the 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

2014 Program Income Limits

EFFECTIVE: JULY 1, 2014

| Household Size | Median Income (\$) | 30% of Median Income (\$) | 50% of Median Income (\$) | 60% of Median Income (\$) | 80% of Median Income (\$) |
|----------------|--------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| 1 Person | 43,400 | 13,000 | 21,700 | 26,040 | 34,650 |
| 2 Persons | 49,600 | 15,730 | 24,800 | 29,760 | 39,600 |
| 3 Persons | 55,800 | 19,790 | 27,900 | 33,480 | 44,550 |
| 4 Persons | 61,900 | 23,850 | 30,950 | 37,140 | 49,500 |
| 5 Persons | 66,900 | 27,910 | 33,450 | 40,140 | 53,500 |
| 6 Persons | 71,900 | 31,970 | 35,950 | 43,140 | 57,450 |
| 7 Persons | 76,800 | 36,030 | 38,400 | 46,080 | 61,400 |
| 8 Persons | 81,800 | 40,090 | 40,900 | 49,080 | 65,350 |

Household Income Limits/Annual Gross Wages

(Revised per HUD 7/1/14)

N:\REVITALZ\INCOME GUIDELINES\2014 Income Limits\2014 Income Limits_effective 7-1-2014 docx

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 in accordance with City of Glendale Code Section 2-145
 - 1.2 Purchases between \$10,001 and \$50,000 must follow competitive purchasing procedures based on written quotations in accordance with City of Glendale Code Section 2-146(g).
 - 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 in accordance with City of Glendale Code Section 2-146(h)
 - 1.4 Small purchases, as defined by the City's Materials Manager, need not comply with the formal or informal procurement procedures, in accordance with City of Glendale Code Section 2-146(f).
 - 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. The City will confer with all parties to understand the issue, if appropriate, offer guidance, and try and reach an amicable solution.
- 2 In the event the issue is not resolved informally, the Parties agree to the following formal dispute resolution procedures:

Disputes.

- a. Commitment. The parties commit to resolving all disputes promptly, equitably, and in a good-faith, cost-effective manner.
- b. Application. The provisions of this Exhibit will be used by the parties to resolve all controversies, claims, or disputes ("Dispute") arising out of or related to this Agreement—including Disputes regarding any alleged breaches of this Agreement.
- c. Initiation. A party may initiate a Dispute by delivery of written notice of the Dispute, including the specifics of the Dispute, to the Representative of the other party as required in this Agreement.
- d. Informal Resolution. When a Dispute notice is given, the parties will designate a member of their senior management who will be authorized to expeditiously resolve the Dispute.
 - i The parties will provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any Dispute in order to assist in resolving the Dispute as expeditiously and cost effectively as possible;
 - ii The parties' senior managers will meet within 10 business days to discuss and attempt to resolve the Dispute promptly, equitably, and in a good faith manner, and
 - iii The Senior Managers will agree to subsequent meetings if both parties agree that further meetings are necessary to reach a resolution of the Dispute.

Arbitration.

- a. Rules. If the parties are unable to resolve the Dispute by negotiation within 30 days from the Dispute notice, and unless otherwise informal discussions are extended by the mutual agreement, the parties may agree, in writing, that the Dispute will be decided by binding arbitration in accordance with Commercial Rules of the AAA, as amended herein. Although the arbitration will be conducted in accordance with AAA Rules, it will not be administered by the AAA, but will be heard independently.
 - i The parties will exercise best efforts to select an arbitrator within 5 business days after agreement for arbitration. If the parties have not agreed upon an arbitrator within this period, the parties will submit the selection of the arbitrator to one of the principals of the mediation firm of Scott & Skelly, LLC, who will then select the arbitrator. The parties will equally share the fees and costs incurred in the selection of the arbitrator.
 - ii The arbitrator selected must be an attorney with at least 10 years' experience, be independent, impartial, and not have engaged in any business for or adverse to either Party for at least 10 years.

- b. Discovery. The extent and the time set for discovery will be as determined by the arbitrator. Each Party must, however, within ten (10) days of selection of an arbitrator deliver to the other Party copies of all documents in the delivering party's possession that are relevant to the dispute.
- c. Hearing. The arbitration hearing will be held within 90 days of the appointment of the arbitrator. The arbitration hearing, all proceedings, and all discovery will be conducted in Glendale, Arizona unless otherwise agreed by the parties or required as a result of witness location. Telephonic hearings and other reasonable arrangements may be used to minimize costs.
- d. Award. At the arbitration hearing, each Party will submit its position to the arbitrator, evidence to support that position, and the exact award sought in this matter with specificity. The arbitrator must select the award sought by one of the parties as the final judgment and may not independently alter or modify the awards sought by the parties, fashion any remedy, or make any equitable order. The arbitrator has no authority to consider or award punitive damages.
- e. Final Decision. The Arbitrator's decision should be rendered within 15 days after the arbitration hearing is concluded. This decision will be final and binding on the Parties.
- f. Costs. The prevailing party may enter the arbitration in any court having jurisdiction in order to convert it to a judgment. The non-prevailing party shall pay all of the prevailing party's arbitration costs and expenses, including reasonable attorney's fees and costs.

Services to Continue Pending Dispute. Unless otherwise agreed to in writing, Contractor must continue to perform and maintain progress of required services during any Dispute resolution or arbitration proceedings, and City will continue to make payment to Contractor in accordance with this Agreement.

Exceptions.

- a. Third Party Claims. City and Contractor are not required to arbitrate any third-party claim, cross-claim, counter claim, or other claim or defense of a third-party who is not obligated by contract to arbitrate disputes with City and Contractor.
- b. Liens. City or Contractor may commence and prosecute a civil action to contest a lien or stop notice, or enforce any lien or stop notice, but only to the extent the lien or stop notice the Party seeks to enforce is enforceable under Arizona Law, including, without limitation, an action under A.R.S. § 33-420, without the necessity of initiating or exhausting the procedures of this Exhibit.
- c. Governmental Actions. This Exhibit does not apply to, and must not be construed to require arbitration of, any claims, actions or other process filed or issued by City of Glendale Building Safety Department or any other agency of City acting in its governmental permitting or other regulatory capacity.

###

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."**

###



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/17/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s)

| | |
|---|--|
| PRODUCER The Houston Taylor Group LLC P.O. Box 30407 Phoenix AZ 85046 | CONTACT NAME: Paul Houston |
| | PHONE (A/C No. Exp): (602) 234-0405 FAX (A/C No.): (602) 493-1699 E-MAIL ADDRESS: phouston@houston-taylor.com |
| INSURED Heart For The City Inc. 8385 W. Deer Valley Rd Peoria AZ 85382 | INSURER(S) AFFORDING COVERAGE |
| | INSURER A: Philadelphia Insurance |
| | INSURER B: The Hartford |
| | INSURER C: |
| | INSURER D: |
| | INSURER E: |

COVERAGES CERTIFICATE NUMBER: CL135702853 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

| INSR LTR | TYPE OF INSURANCE | ADDL INSR | SUBR WYD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS |
|----------|--|-----------|----------|---------------|-------------------------|-------------------------|---|
| A | GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR | | | PHPK1137033 | 3/7/2014 | 3/7/2015 | EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/PROP AGG \$ 2,000,000 |
| | GENL AGGREGATE LIMIT APPLIES PER. <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC | | | | | | |
| A | AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS | | | PHPK1137033 | 3/7/2014 | 3/7/2015 | COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ |
| | UMBRELLA LIAB EXCESS LIAB | | | | | | EACH OCCURRENCE \$ AGGREGATE \$ |
| B | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below | | N/A | 59WECDS6331 | 6/29/2013 | 6/29/2014 | <input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E L EACH ACCIDENT \$ 500,000 E L DISEASE - EA EMPLOYEE \$ 500,000 E L DISEASE - POLICY LIMIT \$ 500,000 |
| A | PROFESSIONAL LIAB | | | PHPK989483 | 3/7/2014 | 3/7/2015 | AGG \$2,000,000 EACH INCIDENT \$1,000,000 |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER CANCELLATION

| | |
|---|---|
| Peoria Elementary School Attn: Assistant Principal Joel Wakefield 11501 N. 79th Avenue Peoria, AZ 85345 | SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS |
| | AUTHORIZED REPRESENTATIVE <i>Melinda Sandy</i> |

ADDITIONAL COVERAGES

| | | | | |
|----------------------|---------------------------------------|-----------------------|-------------------|-----------------|
| Ref # | Description Professional Liability | Coverage Code PROF | Form No. | Edition Date |
| Limit 1 2,000,000 | Limit 2 1,000,000 | Limit 3 | Deductible Amount | Deductible Type |
| Premium | | | | |
| Ref # | Description | Coverage Code | Form No. | Edition Date |
| Limit 1 | Limit 2 | Limit 3 | Deductible Amount | Deductible Type |
| Premium | | | | |
| Ref # | Description | Coverage Code | Form No. | Edition Date |
| Limit 1 | Limit 2 | Limit 3 | Deductible Amount | Deductible Type |
| Premium | | | | |
| Ref # | Description | Coverage Code | Form No. | Edition Date |
| Limit 1 | Limit 2 | Limit 3 | Deductible Amount | Deductible Type |
| Premium | | | | |
| Ref # | Description | Coverage Code | Form No. | Edition Date |
| Limit 1 | Limit 2 | Limit 3 | Deductible Amount | Deductible Type |
| Premium | | | | |
| Ref # | Description | Coverage Code | Form No. | Edition Date |
| Limit 1 | Limit 2 | Limit 3 | Deductible Amount | Deductible Type |
| Premium | | | | |
| Ref # | Description | Coverage Code | Form No. | Edition Date |
| Limit 1 | Limit 2 | Limit 3 | Deductible Amount | Deductible Type |
| Premium | | | | |
| Ref # | Description | Coverage Code | Form No. | Edition Date |
| Limit 1 | Limit 2 | Limit 3 | Deductible Amount | Deductible Type |
| Premium | | | | |
| Ref # | Description | Coverage Code | Form No. | Edition Date |
| Limit 1 | Limit 2 | Limit 3 | Deductible Amount | Deductible Type |
| Premium | | | | |
| Ref # | Description | Coverage Code | Form No. | Edition Date |
| Limit 1 | Limit 2 | Limit 3 | Deductible Amount | Deductible Type |
| Premium | | | | |
| Ref # | Description | Coverage Code | Form No. | Edition Date |
| Limit 1 | Limit 2 | Limit 3 | Deductible Amount | Deductible Type |
| Premium | | | | |
| Ref # | Description | Coverage Code | Form No. | Edition Date |
| Limit 1 | Limit 2 | Limit 3 | Deductible Amount | Deductible Type |
| Premium | | | | |

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

EXHIBIT G
DEED OF TRUST AND PROMISSORY NOTE

(See attached)

City property –

Deed of Trust and Promissory Note not
applicable

CERTIFICATIONS

EXHIBIT "H"

**EXHIBIT H
CERTIFICATIONS**

See attached Certifications

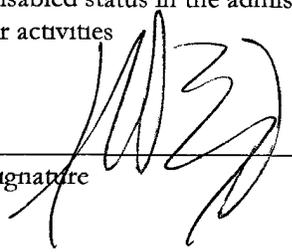
- 1 Policy of Nondiscrimination on the Basis of Disability
- 2 Section 319 of Public Law 101-121
- 3 Contracting with Small and Minority Firms, Women's Business Enterprises and Labor Surplus Area Firms
- 4 Drug-Free Workplace

###

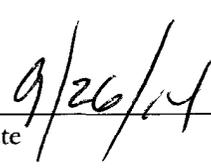
**POLICY OF NONDISCRIMINATION ON THE
BASIS OF DISABILITY**

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

A handwritten signature in black ink, appearing to be 'M. J.', written over a horizontal line.

Date

A handwritten date '9/26/14' in black ink, written over a horizontal line.

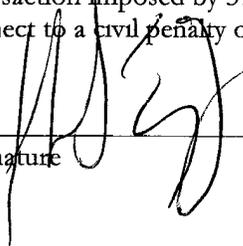
SECTION 319 OF PUBLIC LAW 101-121

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

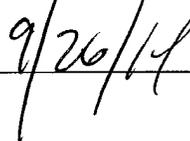
1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection 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



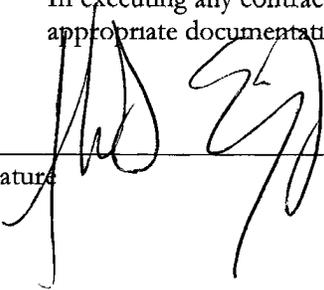
Date



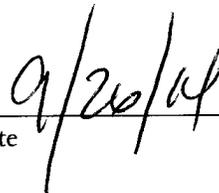
**CONTRACTING WITH SMALL AND MINORITY FIRMS,
WOMEN'S BUSINESS ENTERPRISES AND LABOR SURPLUS AREA FIRMS**

- 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



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

Date