

**GENERAL AGREEMENT**  
**NSPI DEMOLITION PROGRAM**  
**PART I**

THIS AGREEMENT is made and entered into this 13 day of June, 2011 by and between COUNTY OF CUYAHOGA, OHIO, (the "County"), on behalf of the Department of Development ("DOD"), and the Village of Linndale, a political subdivision of the State of Ohio, with principal offices located at 4016 West 119th Street, Linndale, Ohio 44135, (the "City").

WHEREAS, such activities to be performed include demolition of vacant and abandoned housing

WHEREAS, the County desires to engage the City to render certain services and assistance in connection with said services;

NOW, THEREFORE, for the consideration of mutual promises hereinafter set forth, the County and the Sub-grantee agree as follows:

**ITEM I - SCOPE OF SERVICES:**

For detailed description of Scope of Services refer to Schedule A attached. Amendment to the Scope of Services shall be subject to the provisions of Part II, Section 14, Paragraph A, hereof.

**ITEM II - TIME OF PERFORMANCE:**

- A. The services of the Sub-grantee are to commence July 19, 2011 and shall be undertaken and completed in such sequence as to assure their expeditious completion in light of the purposes of this Agreement, but in any event, all of the services required herein shall be completed by July 18, 2012
- B. Amendment to the time of performance shall be subject to the provisions of Part II, Section 14, Paragraph C, hereof.

**ITEM III - COMPENSATION AND METHOD OF PAYMENT:**

It is expressly understood and agreed that in no event will the total compensation and reimbursement to be paid hereunder exceed the maximum sum of \$15,000.00 for all of the services required. It is further expressly understood and agreed that in no event will the Agreement exceed any budget line item of the latest approved budget by greater than ten percent (10%) prior to receiving, in writing, a budget revision from the County authorizing the excess. In no case shall any approved budget line item excess cause the total agreed compensation and reimbursement to be exceeded.

The total compensation referred to in paragraph (A) above shall be paid on a month-to-month basis reimbursing the Sub-grantee for actual expenditures involved in performing the necessary work as set forth in the Scope of Services and Budget. The Sub-grantee shall submit an invoice itemizing both actual time expended and costs incurred in performance of said Scope of Services and in accordance with the Scope of Services and the Budget.

**ITEM IV - EQUAL EMPLOYMENT OPPORTUNITY:**

The Sub-grantee agrees to comply with:

- A. 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 shall, 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 Agreement and will immediately take any measures necessary to effectuate this Agreement. If any real property or structure thereof is provided or improved with the aid of Federal financial assistance extended to the Sub-grantee, this assurance shall obligate the Sub-grantee, 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.

- B. 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.
- C. 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 States shall, on the grounds of race, color, national origin, or sex, be excluded from participating in, be denied the benefits of, be subjected to discrimination under, any program or activity funded in whole or in part with Neighborhood Stabilization Program – Demolition 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 any otherwise qualified disabled person, as provided in Section 504 of the Rehabilitation Act of 1973 (24 CFR Part 8), shall also apply to any program or activity funded in whole or in part with funds made available pursuant to the Act.
- D. Executive Order 11063 on equal opportunity in housing and related facilities owned or operated by the Federal government or provided with Federal financial assistance.
- E. Executive Order 11246, as amended, requiring nondiscrimination and affirmative action to ensure nondiscrimination in employment by government and Sub-grantees and under Federally assisted construction contracts.
- F. Board of Cuyahoga County Commissioner's Resolution Number 1895 dated July 4, 1975 et seq. adopting an expanded program for Equal Opportunity in all activities funded by or through the Board of Cuyahoga County Commissioners.
- G. The National Affordable Housing Act of 1990 (P.L. 101-625) adds religion as a basis on which Sub-grantees may not discriminate in the programs and activities funded under CDBG.

#### **ITEM V - PERSONNEL ASSIGNED**

Communication and details concerning this Agreement shall be directed to the following representatives:

##### County of Cuyahoga

Kimberly Cooper  
Name

Housing Development Specialist  
Title

Cuyahoga County Dept. of Development  
1701 East 12<sup>th</sup> Street, First Floor  
Cleveland, Ohio 44114

(216) 443-7267  
Telephone

(216) 348-4477  
Fax

##### Village of Linndale

Mike Toczek  
Name

Clerk of Courts  
Title

Village of Linndale  
4016 West 119th Street  
Linndale, Ohio 44135

(216) 251-6000  
Telephone

(216) 251-2588  
Fax

**ITEM VI - CONDITIONS & ATTACHMENTS**

It is expressly understood and agreed that Attachment I-Budget Details and Schedule "A" Scope of Services, Part II, "Terms and Conditions", and Part III, "Accounting and Financial Management" attached hereto are made a part hereof as if fully rewritten herein

**Electronic Signature Agreement**

By entering into this Agreement or by submitting a bid or a proposal, I agree on behalf of the contracting or submitting business entity, its officers, employees, subcontractors, subgrantees, agents or assigns, to conduct this transaction by electronic means by agreeing that all documents requiring county signatures may be executed by electronic means, and that the electronic signatures affixed by the county to said documents shall have the same legal effect as if that signature was manually affixed to a paper version of the document. I also agree on behalf of the aforementioned entities and persons, to be bound by the provisions of chapters 304 and 1306 of the Ohio Revised Code as they pertain to electronic transactions, and to comply with the electronic signature policy of Cuyahoga County

IN WITNESS WHEREOF, the parties hereto have affixed their signatures on the day and date first above written.

COUNTY OF CUYAHOGA

BY: 

Edward FitzGerald, County Executive

Date: 8/9/11

VILLAGE OF LINDALE

BY: 

Title: Mayor

Date: 6/13/09/11

**Schedule A**  
**Project Activity Description**  
**Municipal Subrecipient**  
**Scope of Services**

**Municipality:** Village of Linndale

**Program Funding:** \$15,000.00

**Year Award** 1 Year  
FY 2008

**Area Served:** Cuyahoga Urban County

**National Objective:** Elimination of slum and blighting conditions

The use of CDBG funds must be targeted to a specific service area that meets one of two National objectives as designated by the Department of Housing and Urban Development (HUD). These National Objectives are:

1. Providing primary benefit to low and moderate income persons;
2. Aiding in the elimination of slums and blighting conditions.

The criteria used to determine which National Objective is being served is based on information provided by the County Planning Commission's (CPC) 1992, Countywide Slum & Blight Study as updated, and from the 1990 Census Data (low/mod determination).

**Eligible Activity:** Demolition

**Project Description:**

The Subrecipient will conduct the following activities during the term of the Agreement

1. Blight removal

Service Delivery: Demolition

Staff Persons Responsible for Implementing Activity

Mike Toczek, Clerk of Courts

- 2.

Service Delivery:

Staff Persons Responsible for Implementing Activity

- 3.

Service Delivery:

Staff Persons Responsible for Implementing Activity

**Program Location and Operations:**

11915 Avenue of Peace, Linndale, Ohio 44135

**Agency Licensing Requirements:**

The Subrecipient has and will maintain all documents required for operation of this program per Local, State and Federal regulations.  
These documents include, but are not limited to:

- Articles of Incorporation
- IRS Tax Exempt Status

**Reporting Requirements:**

A financial report is to be submitted by the Subrecipient to this Department by the first (1st), no later than the tenth (10th) day after the close of the reporting period. The financial report will include: a) a request for payment and/or status of fund's report; b) a budgetary summary sheet; and c) a budgetary detailed report, along with supporting documentation requested by this Department.

**Should the Subrecipient fail to meet these reporting requirements on an adequate and timely basis, the Department will withhold payments until the necessary information is made available. Continued failure to submit adequate and timely reports will result in the termination of this Agreement.**

In the event the actual service delivery falls below the levels specified in this Agreement, action will be taken by the Department of Development to assist the Subrecipient in reaching its service goals. If the performance remains below specified levels for a period of three months, the Department of Development will withhold payments from the agency. Continued failure to meet specified service levels will result in termination of this Agreement.

**Amendments to Agreement:**

Changes in Schedule A, Scope of Services and Attachment 1 – Budgetary Details, shall be agreed to by the Department of Development in writing prior to the implementation of any changes. If an amendment to the Agreement is required, the Subrecipient may not proceed with the changes until the amendment is executed by the County Executive of The County of Cuyahoga.

ATTACHMENT 1 – Budget Details

PROGRAM: NSP1 DEMOLITION

MUNICIPALITY: Village of Linndale

Budget for 12 months

Budget

USE OF FUNDS <i>Line Item:</i>	SOURCE OF FUNDS	
	COUNTY NSP	TOTAL
1. Personnel	0	0
2. Fringe Benefits	0	0
3. Travel	0	0
4. Equipment	0	0
5. General Overhead	0	0
6. Contractual	\$15,000	\$15,000
7. Other	0	0
Total	\$15,000	\$15,000

  
Signature of Municipal Official

6/13/2011  
Date

Prepared By \_\_\_\_\_

Date Prepared \_\_\_\_\_

## PROJECT EXPENDITURES BUDGETARY DETAILS

MUNICIPALITY: VILLAGE OF LINNDALE

PROGRAM: NSP1 DEMOLITION

(1) **PERSONNEL**

Title	Salary	Hours Worked Per Week	% Charged to NSP	Budgeted Amount

**TOTAL PERSONNEL      \$0**

Monthly budget reports are to include: hourly rates, actual hours worked, percentage of hours actually charged to NSP and dollar amounts charged to CDBG. All personnel are required to maintain time sheets which are to be approved by an appropriate supervisor.

(2) **FRINGE BENEFITS**

The following guidelines apply to charging "Fringe Benefits" to NSP:

1. FICA may only be applied to the extent that the total salary does not exceed the pro-rated FICA limit.
2. Workers' Compensation may be charged monthly, provided that there is a periodic adjustment (every 6 months) to reflect the actual billing.
3. Unemployment Tax may be charged monthly, provided that there is a periodic adjustment (every 3 months) to reflect the actual billing. The actual amount charged will be the Unemployment Tax rate x the actual NSP charged salaries for the related period.

Type of Benefit	Rate or Dollar Amount	Budgeted Amount
TOTAL FRINGE BENEFITS		\$0

(3) **TRAVEL (c)**

Description	Budgeted Amount
	\$0

(c) Mileage logs are to be maintained and should include: Name, date, destination of trip, actual odometer readings and a supervisor's approval.



(4) **EQUIPMENT (d)**

Type of Equipment	Budgeted Amount
	\$0

- (d) Federal grant guidelines state that all non-expendable property acquired with CDBG funds shall revert to the Department of Development upon termination of the funded program. Invoice should be submitted to the Department of Development when equipment is purchased.

(5) **GENERAL OVERHEAD (e)**

Type of General Overhead	Rate or Dollar Amount	Budgeted Amount
		\$0

- (e) Any costs which may be classified as indirect (i.e., costs which benefit more than one program cost objective) must be reported in total, using an approved cost allocation method.

If any of the above costs require an agreement, monthly receipts are required, and a copy of the agreement must be on file in our office.

(6) **CONTRACTUAL (f)**

Description	Budgeted Amount
Demolition of blighted structure	\$15,000.00

- (f) Persons listed under Contractual are responsible for their own tax liabilities.

A copy of all Contractual agreements is to be submitted to the Department of Development for approval prior to any Contractual work.

(7) **OTHER**

Category	Budgeted Amount

TOTAL PROGRAM BUDGET

\$ 15,000.00

## **PART II**

### **TERMS AND CONDITIONS**

#### **NSPI DEMOLITION PROGRAM**

##### **SECTION 1 - UNIFORM ADMINISTRATIVE REQUIREMENTS**

During the performance of this Agreement, the Sub-grantee agrees to comply with the requirements and standards of OMB Circular A-87, "Cost Principles for State, Local, and Indian Tribe Government;" OMB Circular No. A-123, "Audits of State and Local Governments" (implemented at 24 CFR part ii); and with the following sections of 24 CFR part 85 "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments", as specified below. Copies of these Circulars are available upon request by the Sub-grantee.

- a. Section 85.3, "Definitions."
- b. Section 85.6, "Exceptions."
- c. Section 85.12, "Special grant or sub-grant 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 audits."
- h. Section 85.32, "Equipment, "Except in all cases in which the equipment is sold, the proceeds shall be program income."
- i. Section 85.33, "Supplies."
- j. Section 85.34, "Copyrights."
- k. Section 85.35, "Sub-awards to debarred and suspended parties."
- l. Section 85.36, "Procurement," except paragraph (a).
- m. Section 85.37, "Sub-grants."
- 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."
- 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."

##### **SECTION 2 - ALLOWABLE COSTS**

The total cost of an Agreement is comprised of the allowable direct cost incident to its performance, plus its allocable portion of allowable indirect costs.

Direct costs are those that can be identified specifically with a particular cost objective. Typical direct costs chargeable to contracts include:

- A. Compensation of employees for the time and effort devoted specifically to the execution of the Agreement.
- B. Cost of materials acquired, consumed, or expended specifically for the purpose of the Agreement.
- C. Equipment and other approved capital expenditures.
- D. Other items of expense incurred specifically to carry out the Agreement.
- E. Services provided specifically for the Agreement by other agencies.

Indirect costs are those (a) incurred for a common or joint purpose benefiting more than one cost objective (b) not readily assignable to the cost objective specifically benefited, without effort disproportionate to the results achieved.

### SECTION 3 - RECORDS

- A. Establishment and Maintenance of Records - Records shall be maintained with respect to all matters covered by this Agreement. Except as otherwise authorized, such records shall be maintained for a period of four years after receipt of the final payment under this Agreement.
- B. Documentation of Costs - All costs shall be supported by properly executed payrolls, time records, invoices, Agreements, or other official documentation evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, Agreements, voucher orders, or other accounting documents pertaining in whole or in part to this Agreement shall be clearly identified and readily accessible. The Sub-grantee shall submit copies of all independent audits performed on the Sub-grantee during the term of this Agreement to the County. All records must be kept according to standard accounting practices.
- C. The Sub-grantee assumes all responsibility for any and all Workers' Compensation premiums, unemployment compensation premiums, and Federal, State and local taxes due on the compensation paid to all their employees. The Sub-grantee agrees to follow all Federal, State and local regulations pertaining to any employees the Sub-grantee may use to provide services under this Agreement.
- D. The Sub-grantee shall document the marketing of services to the Community. Newspaper stories, posters, mailings, speaking engagements or other techniques employed shall be recorded by the Sub-grantee.

### SECTION 4 - REPORTS

At such times and in such forms as the Department of Housing and Urban Development ("HUD") or the County may require, there shall be furnished to HUD or to the County statements, records, data and information, as HUD or the County may request pertaining to matters covered by this Agreement.

### SECTION 5 - AUDITS AND INSPECTIONS

At any time during normal business hours and as often as the County, HUD and/or the Comptroller General of the United States may deem necessary, there shall be made available to the County, HUD and/or representatives of the Comptroller General for examination all records of the Sub-grantee with respect to all matters and the Sub-grantee shall permit the County, HUD and/or representatives of the Comptroller General to audit, examine and make excerpts or transcripts from such records, and to make audits of all Agreements, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters.

In addition to the above-described inspections, the County may perform inspections of the program facilities and/or records at any time it deems desirable.

### SECTION 6 - CONFLICT OF INTEREST

- A. No employee, agent, consultant, officer or elected or appointed official of the County or Sub-grantee who exercises or has exercised any functions or responsibilities with respect to the Scope of Services or any of the activities that are in any way connected with this Agreement or who is in a position to participate in a decision-making process or gain inside information with regard to such activities or Scope of Services, may obtain a personal or financial interest or benefit from any such activity or Scope of Services, or have a financial interest with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter, and the Sub-grantee shall take appropriate steps to assure compliance.

## SECTION 7 - PROCUREMENT STANDARDS AND METHODS

The Sub-grantee shall use its own procurement procedures which reflect applicable State and local laws and regulations, provided that the procedures conform to 24 CFR Part 85, Section 85.36, "Procurement." A copy of these procedures is available upon request by the Sub-grantee.

The Sub-grantee agrees that, whenever it makes purchases or enters into a contract that uses County funds in whole or in part, it will make its best efforts to meet the following goal in the utilization of small business enterprise (SBE) in the total contract award for this project: 30%. Evidence of the bidder's good faith effort must be submitted with the bid if the goal of 30% is not met. Compliance with the SBE goal is encouraged pursuant to Board of County Commissioner's Resolution Number 055058 dated December 20, 2005. The intent of the SBE Program is to ensure that SBE's have an equal opportunity to participate in procurement and other contracting opportunities within the County.

The County Office of Procurement and Diversity must certify SBE's in order to be eligible for meeting the SBE participation goal. Contact (216) 443-7230 for application for certification or to obtain a list of certified SBE's. Generally, a SBE must have been in operation for one year and demonstrate that it has a physical presence within Cuyahoga County. Its gross revenues and workforce are in accordance with the amounts set forth below:

Construction – Less than \$25 million and less than 70 employees

Architectural/Engineering – Less than \$7.5 million and less than 25 employees

Commodity Providers – Less than \$1.5 million and less than 15 employees

Professional Services – Less than \$2.5 million and less than 20 employees

The Department may take whatever action it finds necessary if the Subrecipient does not make the best efforts to achieve these goals.

## SECTION 8 - EMPLOYMENT DISCRIMINATION PROHIBITED

During the performance of this Agreement, the Sub-grantee agrees as follows:

- A. The Sub-grantee shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, ancestry or Vietnam-era or disabled veteran status. The Sub-grantee shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to race, religion, color, sex, national origin, age, disability, ancestry or Vietnam-era or disabled veteran status. as used herein, "treated" means and includes without limitation the following: recruited, whether by advertising or other means; compensated, whether in the form of rates of pay or other forms of compensation; selected for training, including apprenticeship, promoted, upgraded, demoted, downgraded, transferred, laid off and terminated. The Sub-grantee agrees to and shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the hiring representatives of the Sub-grantee setting forth the provisions of this nondiscrimination clause.
- B. The Sub-grantee will, in all solicitations or advertisements for employees placed by or on behalf of the Sub-grantee, state that the Sub-grantee is an Equal Opportunity Employer.

## **SECTION 9 - HISTORIC PRESERVATION AND ENVIRONMENTAL REVIEW**

The Sub-grantee is responsible to know that historic preservation rules may apply to federally funded exterior maintenance, repairs, and renovations. The Sub-grantee is expected to determine which structures may require historic preservation review due to age, location, and scope of work. Before allowing work to be done on any such structure, the Sub-grantee is expected to notify the County and cooperate in obtaining any documentation required for review by the Ohio Historic Preservation Office. The Sub-grantee does not assume the County's environmental responsibilities described in 570.604; and the Sub-grantee does not assume the County's responsibility to initiate the review process.

## **SECTION 10 - COPYRIGHTS**

If this Agreement results in a book or other copyrighted material, the author is free to copyright the work, but HUD reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use all material which can be copyrighted.

## **SECTION 11 - PATENTS**

Any discovery or invention arising out of or developed in the course of work aided by this Agreement shall be promptly and fully reported to HUD for determination by HUD as to whether patent protection for such invention or discovery shall be sought and how the rights under any patent issued thereon, shall be disposed of and administered, in order to protect the public interest.

## **SECTION 12 - POLITICAL ACTIVITY PROHIBITED**

None of the funds, materials, property or services provided directly or indirectly under this Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office.

## **SECTION 13 - LOBBYING PROHIBITED**

None of the funds provided under this Agreement shall be used for publicity or propaganda purposes designated to support or defeat legislation pending before the Congress.

## **SECTION 14 - CHANGES**

- A. The County may, from time to time, permit changes in the Scope of Services of the Agreement to be performed hereunder. Any such changes shall be incorporated in written amendments to this Agreement signed by the parties.
- B. The County may from time to time cause changes in the expressed maximum sum of this Agreement provided such changes in compensation are authorized by resolution of the County Executive and are pursuant to the provisions of Part I, Item III hereof. Any such changes shall be incorporated in written amendments to this Agreement signed by the parties.

- C. The County may upon its own initiative or upon that of the Sub-grantee, authorize changes in the time of performance as established in Part I, Item II hereof. As a condition precedent to the authorization of such change, the County shall have determined that the Sub-grantee has exhibited the utmost in good faith in the performance of the Agreement and that there is just cause based upon the intervention of a circumstance unforeseeable at the execution of this Agreement document. Any change in the time of performance shall be agreed to by the Sub-grantee and the County in writing, and said writing shall be incorporated in written amendments to this Agreement signed by the parties.

#### **SECTION 15 - PERSONNEL**

- A. The Sub-grantee represents that it has or will secure at its own expense, all personnel required in performing the services under this Agreement. Such personnel shall not be employees of or have any Contractual relationship with the County.
- B. All of the services required hereunder will be performed by the Sub-grantee or under its supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such services.

#### **SECTION 16 - ASSIGNABILITY**

The Sub-grantee shall not assign any interest in this Agreement and shall not transfer any interest in the same (whether by assignment or notation), without the prior written consent of the County thereto.

#### **SECTION 17 - TERMINATION OF AGREEMENT**

If the Sub-grantee fails to fulfill in a timely and proper manner any term or condition contained in this Agreement, or if Sub-grantee shall violate any of the covenants, Agreements, or stipulations in this Agreement, the County shall have the right to exercise concurrently or successively any one or more of the following rights or remedies:

- A. Terminate this Agreement and the rights of the Sub-grantee hereunder;
- B. Withhold or reduce funds not yet paid to the Sub-grantee;
- C. Recover funds previously paid to the Sub-grantee;
- D. Recover any property obtained by the Sub-grantee through its expenditure of NSP Demolition funds granted pursuant to this Agreement; or
- E. Exercise any and all additional rights the County may have in law or equity.

Termination pursuant to clause (A) above shall be effective five (5) days after the date the County has given written notice to the Sub-grantee of such termination. In the event of termination, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Sub-grantee under this Agreement, at the option of the County, shall become the property of the County and Sub-grantee shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents; provided, however, that such compensation may be reduced in the event the County determines that any money owed the County by the Sub-grantee has not been paid. No action or inaction by the County at any time of any of the terms or conditions of this Agreement shall be deemed or construed as a waiver of the same or other term or condition herein or of the timely and proper performance thereof. No waiver shall be valid against the County unless reduced to writing and signed by the County Executive.

#### **SECTION 18 - TERMINATION FOR NECESSITY OF THE COUNTY**

The County may terminate this Agreement for necessity by giving at least thirty (30) days notice in writing from the County to the Sub-grantee. If the Agreement is terminated by the County as provided herein, the Sub-grantee will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of the Sub-grantee covered by this Agreement, less payments of compensation previously made. Provided, however, that if less than sixty percent (60%) of the services covered by this Agreement have been performed upon the effective date of such termination, the Sub-grantee shall be reimbursed (in addition to the above payment) for that portion of the actual out-of-pocket expenses (not otherwise reimbursed under the Agreement incurred by the Sub-grantee during the Agreement period which are directly attributable to the uncompleted portion of the services covered by this Agreement. If the Agreement is terminated due to the fault of the Sub-grantee, Section 18 hereof relative to termination shall apply.

#### **SECTION 19 - NON-EXPENDABLE PROJECT PROPERTY**

All tangible property, personal or real, acquired for the purpose of carrying out this Agreement shall be owned by the Sub-grantee and subject to the provisions of 24 CFR85.32. When original or replacement real property, acquired under the terms of this contract is proposed for disposition, the provision for disposition of real property under section 85.32(e) shall be followed. When disposing of equipment acquired under this contract with a current per unit fair-market value in excess of \$5,000, the County has a right to receive its portion of the sale proceeds as discussed in 32(e).

#### **SECTION 20 - SECTION 3, - HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1968**

- A. The work to be performed under this Agreement is on a project assisted under a program providing direct Federal assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of 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 lower income residents of the project area and Agreements for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.
- B. The parties to this Agreement 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 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this Agreement. The parties to this Agreement certify and agree that they are under no Contractual or other disability which would prevent them from complying with these requirements.
- C. Sub-grantee will send to each labor organization or representative of workers with which he has collective bargaining Agreement or other Agreement or understanding, if any, written notice advising the said labor organization or workers representative of this commitment under the Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

#### **SECTION 21 - INDEMNIFICATION**

Sub-grantee agrees to indemnify and save harmless the County against all liability, claims, demands, losses, damages and costs arising from any act or omission by, or negligence of, Sub-grantee or its Sub-grantees or the officers, agents, or employees of either while engaged in the performance of this Agreement.

#### **SECTION 22 - TAX INDEMNIFICATION**

Sub-grantee shall pay all taxes, all assessments on property, and all payments in lieu of taxes when due. No lien or encumbrance against any assets purchased with NSP1 Demolition funds granted pursuant to this Agreement shall be attached.

#### **SECTION 23 - INDEPENDENT SUB-GRANTEE RELATIONSHIP**

The parties to this Agreement expressly intend that an independent Sub-grantee relationship is created. The County and the Sub-grantee agree that the conduct and control of the work to be performed will lie solely with Sub-grantee. Sub-grantee is not to be considered an agent or employee of the County for any purpose and no agency or trust or other relationship whatsoever is created by this Agreement.



## **SECTION 24 - DISCRIMINATION IN SERVICE DELIVERY PROHIBITED**

The Sub-grantee shall not discriminate against any applicant for its services because of race, religion, color, sex, national origin, age, disability, ancestry, or Vietnam-era or disabled veteran status. The Sub-grantee shall not limit its services or give preference to persons on the basis of race, religion, color, sex, disability, ancestry, or Vietnam-era or disabled veteran status.

## **SECTION 25 - SECTARIAN/RELIGIOUS ACTIVITY PROHIBITED**

In addition to, and not in substitution for, other provisions of this Agreement regarding the provisions of this Agreement regarding the provision of services with NSP1 Demolition funds, pursuant to Title I of the Housing and Community Development Act of 1974, as amended, the Sub-grantee agrees:

- A. It will not discriminate against any employee or applicant for employment on the basis of religion and will not limit employment or give preference in employment to persons on the basis of religion.
- B. It will not discriminate against any person applying for such public services on the basis of religion and will not limit such services or give preference to persons on the basis of religion;
- C. It will provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing, and exert no other religious influence in the provision of such public services;
- D. The portion of a facility used to provide public services assisted in whole or in part under this Agreement shall contain no sectarian or religious symbols or decorations; and
- E. The funds received under this Agreement shall not be used to construct, rehabilitate, restore, or maintain any facility which is owned by the Sub-grantee and in which the public services are to be provided. However, minor repairs may be made if such repairs (1) are directly related to the public services, (2) are located in a structure used exclusively for non-religious purposes, and (3) constitute in dollar terms only a minor portion of the NSP1 Demolition expenditure for the public services.

## **SECTION 26 - NATIONAL OBJECTIVES**

Sub-grantee hereby warrants that its projected use of NSP1 Demolition funds has been developed so as to give priority to activities which will carry out one or more of the national objectives of benefiting low-, moderate-, or middle-income persons, aiding in the prevention or elimination of slums or blight, or meeting other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the

health and welfare of the community and other financial resources are not available to meet such needs.

In determining whether an activity carries out a national objective, the criteria set forth in 24 CFR 570.208 shall be used.

#### **SECTION 27 - PUBLIC ACCESS TO PROGRAM RECORDS**

The Sub-grantee shall provide citizens with reasonable access to records regarding the past use of NSP1 Demolition funds, consistent with applicable state and local laws regarding privacy and obligations of confidentiality.

#### **SECTION 28 - GRANT CLOSE-OUT PROCEDURES**

This Agreement will be closed out when:

1. All costs to be paid with NSP1 Demolition funds have been incurred, and
2. The work to be assisted with NSP1 Demolition funds has been completed, and
3. After responsibilities of the Sub-grantee under the grant Agreement have been carried out satisfactorily.

Within 90 days of the close-out date as determined above, the Sub-grantee shall submit all requests for reimbursement to the County, with the exception of retainer fees (if applicable).

The County will cancel any unused portion of the awarded grant amount to drawn by the Sub-grantee within 90 days of the close-out date unless the County is notified in advance by the Sub-grantee of the reasons for not canceling the grant amount.

Any unused grant funds will be captured by the County for use in eligible NSP program objectives.

#### **SECTION 29 - MONITORING**

The County is responsible for monitoring the Sub-grantee's NSP1 Demolition funded activities to assure compliance with applicable Federal requirements and to assure that performance goals are being achieved. Generally, one on-site monitor visit will be conducted during the period of this Agreement.

#### **SECTION 30 - LABOR STANDARDS FOR CONSTRUCTION ACTIVITIES**

The Sub-grantee agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provision of Contracts Work Hours and

Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C. 276a-278a-5; 40 USC 327 and 40 USC 276c) and all other applicable Federal, state and local laws and regulation pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Sub-grantee shall maintain documentation which demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the County when requesting reimbursement.

The Sub-grantee agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance to such contracts and with the applicable requirements of the regulations of the Department of Labor under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ration of apprentices and trainees to journeyworkers; provided, that if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Sub-grantee of its obligation, if any, to require payment of the higher wage. The Sub-grantee shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

**PART III**  
**ACCOUNTING AND FISCAL MANAGEMENT PROCEDURES**

**NSP1 DEMOLITION GRANT PROGRAM**

**SECTION 1 - GENERAL**

The Sub-grantee will be required to establish and maintain a standard accounting system that will provide effective financial controls and meet the requirements of Part II, Section 2 herein.

When audits are performed in accordance with the provisions of PART II, Section 5 hereof, discovery of the failure of the Sub-grantee to use generally accepted accounting procedures may result in the disallowance of expenditures for which the Sub-grantee will be liable and for the assessment of sanctions pursuant to PART II, Section 17 hereof.

The County reserves the right to review all financial records in order to assess the financial condition of the agency. If the County determines that the Sub-grantee's financial condition or the methods and practices it uses to manage its financial systems may jeopardize NSP1 Demolition funds under the Agreement, it may take all necessary actions to insure that those funds are not put at risk. This includes, but is not limited to, postponing or canceling all reimbursements, putting the agency under specific financial requirements until the problems have been corrected to the satisfaction of the County, or exercise its authority to terminate the Agreement as a result of such conditions.

The Sub-grantee is fully responsible for the management and control of its financial system. Any loss of NSP1 Demolition funds as a result of the misfeasance, nonfeasance, or malfeasance of the Sub-grantee is the responsibility solely of the Sub-grantee and its officers. To insure accountability, the County reserves the right to withhold payments, put the Sub-grantee under specific financial requirements, or terminate the Agreement.

**SECTION 2 - ACCOUNTING SYSTEM STANDARDS**

Sub-grantee's financial management systems shall provide:

- A. Accurate, current and complete disclosure of the financial results of each Agreement including at least a monthly reconciliation of the cash balance of the program.
- B. Records which adequately identify the source and application of funds for Agreement activities. These records shall refer to subsidiary records and/or documentation which support the entry and which are readily accountable. These records shall contain information pertaining to Agreement awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.

- C. Effective control over and accountability for all funds, property and other assets. Sub-grantee shall adequately safeguard all such assets and shall assure that they are used solely for authorized purposes.
- D. Comparison of actual amounts with budgeted amounts for each Agreement. Also, the relation of financial information with performance or productivity data, including the production of unit cost information whenever appropriate and required by the County.
- E. Procedures for determining the allowability and allocability of costs in accordance with the provisions of Part II, Section 2.
- F. Accounting records which are supported by source documentation.
- G. A systematic method to assure timely and appropriate resolution of audit findings and recommendations.

### **SECTION 3 - GRANT PAYMENTS**

- A. Grant payments will be made on a cash reimbursement basis. Only when the Sub-grantee makes an actual cash disbursement will it be reimbursed for the expense by the County.
- B. Disbursements must be applied only to the authorized use as specified in the scope of services & budget. Failure to pay creditors for activities specified in the Agreement or to disburse funds for their authorized use constitutes a violation of the Agreement terms.
- C. At intervals determined by the County, the Sub-grantee may be required to submit copies of canceled checks or other forms of proof showing that all taxes or other payables have been paid. The County has the authority to take appropriate action, including withholding payments, if this information is not provided when requested.
- D. All requests for reimbursement must be complete and accurate in order for the County to authorize payment. Copies of canceled checks or written receipts must be provided to obtain reimbursement. Failure to submit complete and accurate information will delay or prohibit authorization of payment. Construction project reimbursements must include proper documentation of correct payment of Federal wages.

### **SECTION 4 - AUDIT REQUIREMENTS**

Sub-grantees that receive more than \$500,000 in federal financial assistance from any source shall in any year have an audit made in accordance with Circular No. A-133.

The Audit shall be made by an independent auditor in accordance with Generally Accepted Government Auditing Standards covering financial and compliance audits. "Generally Accepted Government Auditing Standards" means the Standards for Audit of Government Organizations, Programs, Activities and Functions developed by the Comptroller General, dated February 27, 1981, as may be revised or amended.

The Sub-grantee is required to send the County a copy of its Audit for the time period when NSP1 Demolition funds are expended.

### **SECTION 5 - PROGRAM INCOME**

The Sub-grantee shall comply with the standards set forth in 24 CFR Part 85 to account for program income. Program income represents gross income earned by the Sub-grantee from the federally supported activities. Such earnings exclude interest earned on advances and may include, but will not be limited to, income from service fees, sale of commodities, usage or rental fees, and royalties on patents and copyrights.

- A. Unless the Agreement provides otherwise, Sub-grantees shall have no obligation to the Federal Government with respect to royalties received as a result of copyrights or patents.

B. All other program income earned during the project period shall be returned to the County upon demand, if required by the U.S. Department of Housing and Urban Development returned and, in accordance with the grant or other agreement shall be:

1. Used to further eligible NSP program objectives;
2. Used to finance the Sub-grantees' share of the project when approved by the County;  
or
3. Deducted from the total project costs in determining the net costs on which the NSP1 Demolition share of costs will be based.

#### **SECTION 6 - REVERSION OF ASSETS**

Any real property under the Sub-grantee's control that was acquired or improved in whole or in part with NSP funds in excess of \$25,000.00 must be used to meet one of the HUD National Objectives until five years after grant close-out (Part II, Section 28); and

If such property is not used in accordance with the above paragraph, the Sub-grantee shall pay the County an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for the acquisition of or improvement to, the property.

#### **SECTION 7 - USE OF REAL PROPERTY**

The Sub-grantee shall not change the use or planned use of any property (acquired in whole or in part using NSP1 Demolition funds in excess of \$25,000.00) from that for which the acquisition or improvement was made unless the Sub-grantee provides affected citizens with reasonable notice of, and opportunity to comment on, any proposed change. These standards are in effect until five years after grant closeout (Part II, Section 5B).

The new use must qualify as meeting one of the HUD National Objectives. If this requirement is not met, the Sub-grantee may retain or dispose of the property and reimburse the County an amount as determined above (Part III, Section 6B). If the change of use occurs after grant closeout, the provisions governing program income (Part III, Section 5) shall apply.

In the case of property having a useful life of greater than one year purchased with NSP1 Demolition funds pursuant to this Agreement, the Sub-grantee shall furnish a description of the property or equipment, including the serial number, to the County within thirty (30) days of the date of purchase.