

CITY OF SEBASTOPOL CITY COUNCIL

AGENDA ITEM REPORT FOR MEETING OF: July 16, 2024

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To: Honorable Mayor and City Councilmembers
From: Toni Bertolero, Engineering Consultant, GHD
Subject: Approve the Funding Agreement for use of FY 2020-2021 CDBG funds for the City
Hall Youth Annex ADA Project

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RECOMMENDATIONS:

Staff recommends the Sebastopol City Council approve the Funding Agreement for Use of FY 2021-2022 Federal Program Funds with the Sonoma County Community Development Commission (CDC) for the City Hall ADA Project and authorize the City Manager to sign the agreement.

EXECUTIVE SUMMARY:

The item is to request Council approval of the Funding Agreement with the Sonoma County Community Development Commission (CDC) for the City Hall ADA Project (Project). The amount of the grant is \$50,000 and this project is included in the Fiscal Year 2024-25 Capital Improvement Plan adopted by Council on July 2, 2024. Although the total CDBG funding is \$50,000, only \$45,000 is available to the City since CDC staff has used \$5,000 for their administrative and environmental review.

To save costs, Public Works staff will be performing the construction work rather than contracting out the work as this work is within the maintenance staff's ability to perform. The scope of work includes additional signing and striping along the path of travel in the exterior of the building. Interior building improvements include replacing existing doors, hardware, information board; remove/replace and/or relocate existing wall-hung information stand, existing electrical switches and receptacles, bathroom plumbing modifications, and post access and path of travel signs.

BACKGROUND AND DISCUSSION:

CDBG funds are administered by the County of Sonoma under the Urban County Entitlement Program. Sebastopol, along with six other cities, participates in this program through a cooperative agreement. The City applied for CDBG funds for the Fiscal Year 2021-22 CDBG cycle and on June 2, 2020, the Project was awarded the grant in the amount of \$50,000. The funds are programmed to be used for the Project's design and construction.

The scope of work for the Project includes ADA upgrades to the exterior site by adding signage and markings, and interior improvements to provide for ADA accessibility.

STAFF ANALYSIS:

This project supports the City's commitment to upgrading City facilities with ADA improvements identified in the City's 2014 ADA Transition Plan. Public Works staff will be able to perform the work and coordinate its work with City Hall employees such that minimum disruptions can occur during normal business hours. In accordance with State Law, the City is allowed to perform project work under the Uniform Public Construction Cost Accounting Act provided the cost of the work is \$60,000 or less. The work that Public Works will perform will be limited to the maximum amount permitted by law, and as approved in the adopted Fiscal Year 2024-25 Capital Improvement Plan.

A NEPA review has been completed for this Project and is Categorically Excluded and Exempt under Section 58.34(a)(12) under the Code of Federal Regulations (CFR). Planning staff has conducted environmental review and has determined that the Project is Categorically Exempt under Section 15301 under CEQA.

COMMUNITY OUTREACH:

As of the writing of this staff report, the City has not received any public comment. However, staff anticipates receiving public comment from interested parties following the publication and distribution of this staff report. Such comments will be provided to the City Council as supplemental materials before or at the meeting. In addition, public comments may be offered during the public comment portion of the agenda item. This item has been noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to the scheduled meeting date.

FISCAL IMPACT:

This project is included in the Fiscal Year 2024-25 Capital Improvement Plan adopted by Council on July 2, 2024. The total cost of the project is \$65,000. Funding sources for the Project is \$45,000 from CDBG (available balance), and \$20,000 from Building/Infrastructure Reserve Fund.

OPTIONS:

1. Approve the Funding Agreement with the Sonoma County CDC and accept CDBG funds for the City Hall ADA Project; or
2. Do not approve the Funding Agreement and cancel the City Hall ADA Project.

ATTACHMENTS:

Funding Agreement

APPROVALS:

Department Head Approval: Approval Date: 7/2/24

CEQA Determination (Planning): Approval Date: 7/3/24

Project is Categorically Exempt under Section 15301.d that exempts Restoration of rehabilitation of deteriorated or damaged structures, facilities, or mechanical equipment to meet current standards of public health and safety, unless determined that the damage was substantial and resulted from an environmental hazard such as an earthquake, landslide, or flood. This project rehabilitates facilities to be compliant with current ADA standards.

Administrative Services (Financial) Approval Date: 7/3/24

Costs authorized in City Approved Budget: Yes No N/A

Account Code (f applicable) CIP Project #0214-20.07

City Attorney Approval and

City Manager Approval: Approval Date: 7/2/24

FUNDING AGREEMENT FOR USE OF FY 2021-2022 FEDERAL PROGRAM FUNDS

The following is an agreement, dated as of the date of execution, by and between the City of Sebastopol, hereinafter referred to as “Subrecipient,” and the Sonoma County Community Development Commission, a public body corporate and politic, hereinafter referred to as “COMMISSION.”

WITNESSETH:

WHEREAS, on behalf of the County of Sonoma, COMMISSION administers certain housing and community development activities pursuant to the Housing and Community Development Act of 1974 and 1987 as amended, known as the Community Development Block Grant Program (CDBG); and

WHEREAS, the County of Sonoma Fiscal Year (FY) 2021-2022 adopted budget includes **\$50,000** in Community Development Block Grant (CDBG) funds for use by SUBRECIPIENT for the Sebastopol City Hall ADA project.

WHEREAS, SUBRECIPIENT will provide funding from other sources for the PROJECT;
and

WHEREAS, COMMISSION and SUBRECIPIENT wish to enter into an agreement for partial funding of the PROJECT,

NOW, THEREFORE, it is mutually agreed as follows:

PART A – SPECIFIC PROVISIONS

1. Activities Funded by COMMISSION. For an amount not to exceed \$50,000 of the allocated CDBG funds, COMMISSION shall reimburse SUBRECIPIENT for the activities set forth in Exhibit A, attached hereto and incorporated herein by specific reference, after documentation satisfactory to COMMISSION that SUBRECIPIENT has made proper disbursement.
2. Adoption of Action Plan. The annual adoption by the Board of Supervisors of the Consolidated Plan, which includes the Annual Action Plan, shall serve as authorization and direction to COMMISSION to implement the PROJECT included in COMMISSION’s final budget, within the budgeted appropriations.
3. Term of Agreement. This Agreement shall commence on the date of execution of this Agreement, and shall terminate 18 months from that date, unless extended by mutual written agreement of the parties hereto or terminated pursuant to paragraph .
4. Scope of Services. SUBRECIPIENT shall, in a manner satisfactory to COMMISSION, perform the services set forth in Exhibit A, Scope of Services, attached hereto and incorporated herein by specific reference.
5. Payment. COMMISSION agrees to pay to SUBRECIPIENT amounts not to exceed the costs incurred by SUBRECIPIENT consistent with the budget and other terms contained in Exhibit B attached hereto and incorporated herein by specific reference, and with other

provisions of this Agreement. Reimbursement payment will be made in installments in accordance with Exhibit B, Budget, after SUBRECIPIENT submits adequate written documentation of the eligible expenses incurred in a form specified by COMMISSION. Reimbursement requests should be submitted to COMMISSION at least quarterly, but not more than once monthly. In no event shall the total amount payable under this Agreement exceed **\$50,000**. Notwithstanding anything to the contrary herein, COMMISSION shall not be obligated to make any disbursement after an uncured event of default by SUBRECIPIENT.

5.1. All or part of this Agreement will be paid with Federal grant awards. COMMISSION is required to provide certain information regarding Federal grant award(s) to SUBRECIPIENT. In signing this Agreement, SUBRECIPIENT acknowledges receipt of the following information regarding Federal grant award(s) that will be used to pay this Agreement:

CFDA Title: Community Development Block Grants/Entitlement Grants
CFDA Number: 14.218
Award Name: Community Development Block Grant
Award Number: B-21-UC-06-0008
Award Year: FY 2021-2022
Federal Agency: U.S. Department of Housing and Urban Development
HUD Grantee: Sonoma County (Community Development Commission)
COMMISSION Unique Entity Identifier (UEI) Number: EB6LZJPCWEU3
SUBRECIPIENT SAM Unique Entity Identifier (UEN): HWZEJQBETEJ7

6. Method and Place of Giving Notice, Submitting Bills, and Making Payments: All notices, bills, and payments shall be made in writing and shall be given by email or personal delivery or by U.S. Mail or courier service. Notices, bills, and payments shall be addressed as follows:

COMMISSION: Sonoma County Community Development Commission
Attention: Valerie Johnson
PO Box 12025
Santa Rosa, CA 95406

SUBRECIPIENT: City of Sebastopol
7120 Bodega Ave
Sebastopol, CA 95472

When a notice, bill or payment is given by a generally recognized overnight courier service, the notice, bill or payment shall be deemed received on the next business day. In all other instances, notices, bills and payments shall be effective upon receipt by the recipient. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this paragraph.

7. Subcontracts. SUBRECIPIENT shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement. SUBRECIPIENT shall monitor all subcontracted services on a regular basis to ensure contract compliance. SUBRECIPIENT shall undertake to ensure that all subcontracts let in the performance of this Agreement are awarded on a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to COMMISSION along with a summary description of the selection process.

8. Indemnification. Each party shall indemnify, defend, protect, hold harmless, and release the other, its officers, agents, and employees, from and against any and all claims, loss, proceedings, damages, causes of action, liability, costs, or expense (including attorneys' fees and witness costs) arising from or in connection with, or caused by any act, omission, or negligence of such indemnifying party or its agents, employees, contractors, subcontractors, or invitees. This indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages or compensation payable to or for the indemnifying party under workers' compensation acts, disability benefit acts, or other employee benefit acts.

9. Merger. This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to California Code of Civil Procedure § 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

10. Termination. At any time with or without cause, COMMISSION shall have the right in its sole discretion, to terminate this Agreement by giving written notice to SUBRECIPIENT. For termination without cause, SUBRECIPIENT shall be entitled to receive full payment and reimbursement for all services rendered and expenses incurred to the date of termination. If SUBRECIPIENT shall fail to perform any of its obligations hereunder, within the time and in the manner herein provided or otherwise violate any of the terms of this Agreement, COMMISSION may terminate this Agreement by giving SUBRECIPIENT written notice of such termination. In such event, SUBRECIPIENT shall be entitled to receive full payment for all services satisfactorily rendered and expenses incurred hereunder.

COMMISSION will give SUBRECIPIENT thirty (30) days written notice of termination of the Agreement. SUBRECIPIENT shall have the right to initiate the cure for the default within thirty (30) days of the date of the written notice of termination of the Agreement and shall complete said cure within ninety (90) days of the date of the written notice of termination.

Both parties have entered into this Agreement in reliance on the representation of the federal government that the program funding will continue. Notwithstanding any other provision of this Agreement, COMMISSION retains the right in its sole discretion and without notice to terminate or reduce the amount payable to SUBRECIPIENT under this Agreement in the event that the federal government does not fund in the amount projected at the time this Agreement is executed. SUBRECIPIENT agrees that the maximum amount payable under this Agreement by COMMISSION shall not exceed the amount actually funded by the federal government.

11. Reporting: 17. Reporting: SUBRECIPIENT agrees to provide a written quarterly report ten (10) days after the end of each quarter, that is, by the following dates:

- Quarter 1 (Q1): October 10
- Quarter 2 (Q2): January 10
- Quarter 3 (Q3): April 10
- Quarter 4 (Q4): July 10

Each quarterly report shall describe the progress of the project.

Within ten (10) days after the termination date of this Agreement, SUBRECIPIENT agrees to submit to COMMISSION a Final Report Addendum, the Summary of Other Funding Sources, showing all other funding sources, classification of funding sources as local, state, federal, or

private, and amounts received for the specific project. All quarterly and final reports shall be submitted in a form specified by COMMISSION.

SUBRECIPIENT, if a non-profit California Corporation, agrees to submit minutes of their Board of Directors meetings to the COMMISSION, electronically or in hard copy, in a timely fashion.

COMMISSION will use reports submitted by SUBRECIPIENT to provide periodic required reports in a timely way to the state, federal, local governmental or private funding entities.

12. Amendments: COMMISSION or SUBRECIPIENT may amend this Agreement at any time providing that such amendments make specific reference to this Agreement, and are executed in writing, signed by duly authorized representatives of both organizations, and, when required, approved by the COMMISSION's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the COMMISSION or SUBRECIPIENT from its obligations under this Agreement.

COMMISSION may, in its discretion, amend this Agreement to conform to federal, state, or local governmental guidelines, policies, and changes in available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both COMMISSION and SUBRECIPIENT.

PART B – GENERAL TERMS AND CONDITIONS

1. Equal Opportunity Certifications

SUBRECIPIENT hereby assures and certifies that it will comply with the following Acts and/or Executive Orders:

a) Civil Rights Act of 1964 (Title VI)

Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.; P.L. 88-352) and regulations pursuant thereto (Title 24 CFR Part I) states that no person in the United States shall, on the basis of race, color, or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity receiving federal financial assistance extended to SUBRECIPIENT. This assurance shall obligate SUBRECIPIENT, or in the case of any transfer, the transferee, for the period during which the real property and structure(s) are used for a purpose for which the federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.

b) Section 109 of the Housing and Community Development Act of 1974

Section 109 of the Housing and Community Development Act of 1974 provides that no person in the United States shall on the basis of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

Section 109 further provides that any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.) or discrimination on the basis of disability as provided in section 504 of the Rehabilitation Act of 1973 (29

U.S.C. 794) shall also apply to any program or activity funded in whole or in part with funds made available pursuant to Section 109.

c) Executive Order 11246 – Equal Employment Opportunity

Executive Order 11246, 11375, 11478, 12086 and 12107, 13665, and 13672, as may be amended, and all regulations pursuant thereto (41 CFR Chapter 60) states that no person shall be discriminated against on the basis of race, color, religion, sex, sexual orientation, gender identity, or national origin in all phases of employment during the performance of federal or federally assisted construction contracts and affirmative action shall be taken to ensure equal employment opportunity. SUBRECIPIENT will incorporate, or cause to be incorporated, into any contract for construction work or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the federal government or borrowed on the credit of the federal government pursuant to a grant, contract, loan, insurance, or guarantee, the following equal opportunity clause:

“During the performance of this contract, the contractor agrees as follows:

1. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
2. The contractor will, in all solicitations or advancements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
3. The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.
4. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's

commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
6. The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
7. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept. 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
8. The contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.”

d) Section 3 Requirements

Compliance with the provisions of Section 3 of the Housing and Urban Development Act of 1968, as amended, and with the implementing regulations set forth in 24 CFR Part 135, shall be a condition of the assistance provided under this contract. SUBRECIPIENT shall comply with these Section 3 requirements and with the Section 3 Affirmative Action Plan attached as Exhibit C attached hereto and incorporated by specific reference.

All Section 3 covered contracts shall include the following clause (referred to as the “Section 3 Clause”):

- a. The work to be performed under this Contract 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**”). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted developments covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons including persons who are recipients of HUD assistance for housing, with preference for both targeted workers living in the service area or neighborhood of the Development and

Youthbuild participants, as defined at 24 CFR Part 75 (“**Section 3 Regulations**”),.

- b. The Parties agree to comply with HUD's regulations in Section 3 Regulations, which implement Section 3. As evidenced by their execution of this Contract, the Parties certify that they are under no contractual or other impediment that would prevent them from complying with the Section 3 Regulations.
- c. The Development Owner agrees to send to each labor organization or representative of workers with which the Development Owner has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Development Owner's commitments under this section of the Contract, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference and shall set forth the following: (i) minimum number and job titles subject to hire, (ii) availability of apprenticeship and training positions, (iii) qualifications for each, (iv) name and location of the person(s) taking applications for each of the positions, and (v) the anticipated date the work shall begin.
- d. The Development Owner agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in Section 3 Regulations and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in Section 3 Regulations. The Development Owner will not subcontract with any subcontractor where the Development Owner has notice or knowledge that the subcontractor has been found in violation of the regulations in Section 3 Regulations.
- e. The Development Owner will certify that any vacant employment positions, including training positions, that are filled (i) after a contractor is selected but before the contract is executed, and (ii) with persons other than those to whom the regulations of Section 3 Regulations require employment opportunities to be directed, were not filled to circumvent the Development Owner's obligations under Section 3 Regulations.

Noncompliance with HUD's regulations in Section 3 Regulations may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.

e) Executive Order 13166 – Limited English Proficiency

The Limited English Proficiency (LEP) Guidelines, based upon Title VI of the Civil Rights Act of 1964 (24 CFR 1.4 Executive Order 13166) requires recipients of federal funding to provide language translation or interpreter services to its clients and potential clients who are limited in English proficiency.

A person with Limited English Proficiency (LEP) is a person who does not speak English as their primary language and who has a limited ability to read, write, speak or understand English. Affirmative steps must be taken to communicate with people who

need services or information in a language other than English. A policy must be developed to serve applicants, participants, and/or persons eligible for housing assistance and support services.

The SUBRECIPIENT must analyze the various kinds of contacts it has with the public, to assess language needs and decide what reasonable steps should be taken. In order to determine the level of access needed by LEP persons, the following four factors must be balanced:

1. The number or proportion of LEP persons eligible to be served or likely to be applying for program services;
2. The frequency with which LEP persons utilize these programs and services;
3. The nature and importance of the program, activity, or service provided; and
4. The benefits from providing LEP services, and the resources available and costs to the SUBRECIPIENT for those services.

Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on the SUBRECIPIENT. SUBRECIPIENT shall develop and implement a LEP policy consistent with the above guidelines and provide the COMMISSION with copies of its LEP Policy.

f) Section 504 of the Rehabilitation Act of 1973

Section 504 of the Rehabilitation Act of 1973, as amended, prohibits discrimination on the basis of disability in federally assisted and conducted programs and activities.

g) Age Discrimination Act of 1975

The Age Discrimination Act of 1975, as amended, prohibits discrimination because of age in programs and activities receiving federal financial assistance.

h) Executive Orders 11625, 12432, 12138 – Minority- and Women-Owned Business Opportunities

These Executive Orders state that program participants shall take affirmative action to encourage participation by businesses owned and operated by minority groups and women.

i) Living Wage Requirements. SUBRECIPIENT, by and for itself and its successors and assigns, shall comply with any and all federal, state, and local laws – including, but not limited to the County of Sonoma Living Wage Ordinance – affecting the services provided by this contract. Without limiting the generality of the foregoing, SUBRECIPIENT expressly acknowledges and agrees that this contract is subject to the provisions of Article XXVI of Chapter 2 of the Sonoma County Code, requiring payment of a living wage to covered employees. Noncompliance during the term of the Funding Agreement will be considered a material breach and may result in termination of the Funding Agreement or pursuit of other legal or administrative remedies. Nonprofit entities shall pay employees providing services pursuant to a service contract or in connection with a county economic development assistance agreement a living wage as established by Sonoma County Code Section 2-377. The Nonprofit living wage rate schedule is located at <https://sonomacounty.ca.gov/CAO/Living-Wage-Ordinance/>.

2. Other Federal and Local Requirements

a) Audit Requirements - Compliance with 2 CFR Part 200

SUBRECIPIENT shall comply with the requirements of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, except as otherwise specified herein.

Specifically, SUBRECIPIENT shall obtain an annual program specific or single audit, as required. SUBRECIPIENT shall provide a copy of such audit together with any management letters and supplementary or related audit letters or reports to COMMISSION within the earlier of thirty (30) calendar days after receipt of the auditor's report(s), or nine months after the end of the SUBRECIPIENT's fiscal year. The audit shall include a supplementary schedule showing all revenues and expenditures of CDBG funds and other federal funds for the fiscal year.

b) Records

SUBRECIPIENT shall retain all project development records, books, papers and documents for a period of not less than five (5) years after the completion of construction. SUBRECIPIENT shall grant COMMISSION the option of retention of the project records, books, papers, and documents if SUBRECIPIENT elects to dispose of said documents following the mandatory retention period.

SUBRECIPIENT agrees to make available for inspection and audit to representatives of COMMISSION, federal, state, and/or local county governments, their employees or agents, all books, financial records, program information, and other records pertaining to the overall operation of SUBRECIPIENT, and this Agreement. SUBRECIPIENT further agrees to allow said representatives to review and inspect its facilities and program operations. Said representatives may monitor the operation of this Agreement to assure compliance with all applicable local, state, and/or federal regulations.

All provisions of this Agreement that require availability of records or reporting shall survive termination of this Agreement.

c) Conflict of Interest

1. *Interest of Members of a City or County:* No members of the governing body of a city or county and no other officer, employee, or agent of the city or county who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Agreement; and the SUBRECIPIENT shall take appropriate steps to assure compliance.

2. *Interest of Other Local Public Officials:* No members of the governing body of the locality and no other public official of such locality, who exercises any function or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Agreement; and the SUBRECIPIENT shall take appropriate steps to assure compliance.

3. *Interest of SUBRECIPIENT and Employees:* SUBRECIPIENT understands that as a recipient of federal funds certain federal laws relating to conflict of interest apply to SUBRECIPIENT, its officers, agents, employees, and constituents; specifically, those

laws are contained in 24 CFR Section 85.36 and 84.42 and can generally be summarized as follows:

Except for approved eligible administrative or personnel costs, the general rule is that no employee, agent, consultant or officer of a recipient who has exercised or would exercise any functions or responsibilities with respect to CDBG activities or who is in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any 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 (1) year thereafter.

d) Program Income

“Program income” means amounts received by SUBRECIPIENT generated from the use of federal funds as defined at 24 CFR 570.500. Program income includes, but is not limited to, the following: 1) proceeds from the disposition by sale or long-term lease of real property purchased or improved with federal funds; 2) proceeds from the disposition of equipment purchased with federal funds; 3) gross income from the use or rental of real or personal property acquired by SUBRECIPIENT with federal funds, less costs incidental to generation of the income; 4) gross income from the use or rental of real property, owned by SUBRECIPIENT, that was constructed or improved with federal funds, less costs incidental to generation of the income; 5) payments of principal and interest on loans made using federal funds; 6) proceeds from the sale of loans made with federal funds; 7) proceeds from the sale of obligations secured by loans made with federal funds; 8) interest earned on program income pending its disposition; and 9) funds collected through special assessments made against properties owned and occupied by households not of low and moderate income, where the assessments are used to recover all or part of the federally funded portion of a public improvement.

Any program income received by SUBRECIPIENT shall be immediately returned to COMMISSION. This provision shall survive the termination or expiration of this Agreement.

e) Equipment

In cases where equipment purchased with federal funds is sold, the proceeds shall be program income. Equipment not needed by SUBRECIPIENT for federally funded activities shall be transferred to COMMISSION for the federally funded program or shall be retained by SUBRECIPIENT after compensating COMMISSION.

f) Compliance with OMB Circulars A-87 and 24 CFR Part 85

In cases where SUBRECIPIENT is a non-profit organization, SUBRECIPIENT shall comply with the requirements and standards of OMB Circular No. A-122, “Cost Principles for Non-Profit Organizations” and with the applicable sections of OMB Circular No. A-110, “Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations,” as listed in 24 CFR 570.502(b)(1) through (4), except as otherwise specified herein.

In cases where SUBRECIPIENT is a governmental entity, SUBRECIPIENT shall comply with the requirements and standards of OMB Circular A-87 “Cost Principles for State,

Local and Indian Tribal Governments” and with the applicable sections of 24 CFR Part 85, “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,” as listed in 24 CFR 570.502(a)(1) through (20), except as otherwise specified herein.

g) Reversion of Assets

Upon expiration of this Agreement, SUBRECIPIENT shall transfer to COMMISSION any federal funds on hand at the time of expiration and any accounts receivable attributable to the use of federal funds.

h) Real Property

SUBRECIPIENT may not change the use of any real property acquired or improved in whole or in part with CDBG funds from that for which the acquisition or improvement was made until and unless SUBRECIPIENT provides COMMISSION with at least sixty (60) days’ notice of the proposed change in the use of the property, in order to allow COMMISSION to provide affected persons with reasonable notice of and an opportunity to comment on any proposed change.

SUBRECIPIENT agrees that any proposed change shall meet one (1) of these two (2) criteria:

1. The new use of the property qualifies as meeting one of the national objectives established in 24 CFR Part 570.208 (formerly 24 CFR Part 570.901) and is not a building for the general conduct of government, or
2. If, after consultation with affected persons COMMISSION determines that it is appropriate to change the use of the property to a use which does not qualify under paragraph 1 above, SUBRECIPIENT may retain or dispose of the property for the changed use if SUBRECIPIENT reimburses COMMISSION in the amount of the then-current fair market value of the property, less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, and improvements to, the property.

i) Political Activity Prohibited

CDBG funds shall not be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration. However, a facility originally assisted with CDBG funds may be used on an incidental basis to hold political meetings, candidate forums, or voter registration campaigns, provided that all parties and organizations have access to the facility on an equal basis, and are assessed equal rent or use charges, if any.

j) Lobbying Restrictions

SUBRECIPIENT agrees, to the best of its knowledge and belief:

No federal appropriated funds have been paid or will be paid, by or on behalf of it, 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;

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, it will complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and the language of this paragraph shall be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that SUBRECIPIENT shall certify and disclose accordingly.

k) Religious Activity Prohibited

There shall be no religious worship, instruction, or proselytization as part of, or in connection with, the performance of this Agreement.

l) Federal Labor Standards: Davis-Bacon Act and Related Acts

SUBRECIPIENT agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act (40 USC 276a-276a-5; 40 USC 327 and 40 USC 276c) and all other applicable federal, state, and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. As applicable, SUBRECIPIENT shall maintain documentation that demonstrates compliance with hour and wage requirements of this paragraph. Such documentation shall be made available to COMMISSION for review upon request.

SUBRECIPIENT agrees that, except with respect to rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000 for construction, renovation or repair work financed in whole or in part with assistance provided under this Agreement, shall comply with Federal requirements pertaining 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 ratio of apprentices to journey workers; 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 SUBRECIPIENT of its obligation, if any, to require payment of the higher wage. SUBRECIPIENT shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

To the extent that the use of these funds or other funding sources may require, SUBRECIPIENT also shall comply with the applicable prevailing wage laws of the State of California, specifically including Labor Code section 1720.

m) Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), SUBRECIPIENT shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

n) Displacement, Relocation, Acquisition, and Replacement of Housing

SUBRECIPIENT agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606 (b); (b) the requirements of 24 CFR 570.606 (c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104 (d) of the Housing and Community Development Act; and (c) the requirements in 24 CFR 570.606 (d) governing optional relocation policies.

SUBRECIPIENT shall provide relocation assistance to persons that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project. SUBRECIPIENT also agrees to comply with the Sonoma County Residential Anti-Displacement and Relocation Assistance Plan, as amended. SUBRECIPIENT hereby agrees to pay, and to indemnify the COMMISSION from and against, any and all claims and liabilities for relocation benefits required by federal statutes and regulations in connection with activities undertaken pursuant to this Agreement.

o) Lead-Based Paint

SUBRECIPIENT agrees that any activities carried out with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require the proper disclosure of any known or possible presence of lead-based paint (LBP) and LBP hazards, and the notification, evaluation and reduction of lead-based paint hazards in all residential structures constructed prior to 1978 according to Sections 1012/1013 of Title X, Residential Lead-Based Paint Hazard Reduction Act of 1992, as referenced.

p) Historic Preservation

SUBRECIPIENT agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement. In general, this requires concurrence from the State Historic Preservation Office for all ground-disturbing activities and for all rehabilitation and demolition of historic properties that are fifty years or older or that are included on or are eligible for a federal, state, or local historic property list.

q) Environmental Standards

SUBRECIPIENT will prepare, or hire the services of a third party to prepare, an environmental review in accordance with applicable standards of the National Environmental Policy Act (NEPA) and HUD regulations 24 CFR Part 58. COMMISSION

staff will prepare all documentation required by HUD, publish any required notices and obtain releases from HUD, as appropriate.

The SUBRECIPIENT will undertake all environmental mitigation measures that may be identified in the environmental review and comply with any conditions and mitigation required or imposed as a part of a finding of no significant impact. All such mitigation measures are incorporated in this agreement by exhibit.

r) Clean Air Act and Federal Water Pollution Control Act

SUBRECIPIENT shall comply with and require each subcontractor to comply with all applicable standards of the Clean Air Act of 1970, the Clean Air Act of 1990, the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended, and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 15, as amended from time to time. (Applicable to Contracts and Subcontracts Which Exceed \$100,000)

s) Use of Debarred, Suspended or Ineligible Contractors

SUBRECIPIENT, and its subcontractors agrees that assistance provided under this Agreement shall not be used directly or indirectly to employ, award contracts to, or otherwise engage the services of, or fund any contractor or subcontractor during any period of debarment, suspension, or placement in ineligible status (24 CFR Part 24).

t) Publication Rights and Copyrights

If this Agreement results in any copyrightable material or inventions, COMMISSION reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for government purposes.

u) Build America, Buy America Act

The Grantee must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Grantee's infrastructure project. Pursuant to HUD's Notice, "Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance" (88 FR 17001), any funds obligated by HUD on or after the applicable listed effective dates, are subject to BABA requirements, unless excepted by a waiver.

IN WITNESS WHEREOF, the parties hereto have executed this instrument or caused this Agreement to be executed by their duly authorized agents this _____ day of _____, 2024.

**SONOMA COUNTY COMMUNITY DEVELOPMENT
COMMISSION**

Dated: _____

By: _____
Michelle Whitman, Executive Director

CITY OF SEBASTOPOL

Dated: _____

By: _____
Don Schwartz, City Manager

EXHIBIT A

Scope of Service

Sebastopol City Hall ADA Improvement project,

7120 Bodega Avenue, Sebastopol, Sonoma County, California 95472 (APN 004-600-030-000): proposes the interior rehabilitation of a public facility to meet current Americans with Disabilities Act (ADA) requirements. The building was originally constructed in 1975 and sits on a 0.58-acre parcel. Site improvements include additional signing and striping. Interior building improvements include replace existing doors, hardware, information board; remove/replace and/or relocate existing wall-hung information stand, existing electrical switches and receptacles, bathroom plumbing modifications, and post access and path of travel signs. The total project cost is estimated to be \$60,000, which includes \$50,000 in Community Development Block Grants/Entitlement Grants. The work will be mainly be performed by Public Works staff.

Scope of services within CDBG guidelines

EXHIBIT B

Budget

ACTIVITY

Removal material and architectural barriers to facilities at Sebastopol City Hall.
Engineering, design work, construction, and contract and project management costs:

TOTAL:

\$50,000

EXHIBIT C

SECTION 3 AFFIRMATIVE ACTION PLAN

Responsibilities and procedures for carrying out the requirements of Section 3 of the Housing and Urban Development Act of 1968 in connection with certain housing rehabilitation, housing construction and public construction projects assisted with funds from the U.S. Department of Housing and Urban Development (HUD).

1. Purpose

To ensure that employment and other economic opportunities generated by Section 3 covered projects shall, to the greatest extent feasible, and consistent with existing federal, state and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income residents of the Sonoma County project area.

2. Policy

It shall be the policy of Sonoma County:

- (a) To comply with federal regulations in 24 CFR Part 135 as required by Section 3 of the Housing and Urban Development Act of 1968.
- (b) To provide an on-going program which assures the opportunity for recruitment, training, and employment of low- and very low-income persons residing in the Section 3 project area.
- (c) To assure that contracts for work in connection with Section 3 covered projects be awarded to Section 3 business concerns which are located in the Section 3 project area.
- (d) To ensure that Section 3 business concerns which are located in the Section 3 project area receive affirmative consideration to the greatest extent feasible in the awarding of contracts in the fields of planning, consulting, design, architecture, engineering, maintenance, construction and repairs.
- (e) To encourage firms outside the County Section 3 project area to joint venture project proposals with local Section 3 business concerns in the bidding and negotiation process.

3. Definitions and Terms

- (a) Low-income person is defined as a person whose household income does not exceed 80% of the median income of the Santa Rosa-Petaluma Metropolitan Statistic Area (SMSA).
- (b) Section 3 business concern is defined as a business entity formed in accordance with state law, and which is licensed under state, county or municipal law to engage in the type of business activity for which it was formed and:

- (1) that is 51% or more owned by low- or very low-income persons residing in the Section 3 project area; or
 - (2) whose permanent, full-time employees include persons, at least 30% of whom are currently low- or very low-income persons residing in the Section 3 project area, or within three years of the date of first employment with the business concern were low or very low-income persons residing in the Section 3 project area; or
 - (3) that provides evidence of a commitment to subcontract in excess of 25% of the dollar amount of all subcontracts to be awarded to business concerns that meet the qualifications in paragraphs (1) and (2) above.
- (c) Section 3 covered project means the construction, reconstruction, conversion or rehabilitation of housing, and other public construction which includes buildings or improvements (regardless of ownership), when the level of HUD assistance to the project is at least \$200,000. For such projects, the recipient of the HUD funds shall comply with Section 3 requirements for all work arising in connection with the project. If any contract or subcontract for work generated by the expenditure of Section 3 covered HUD funds is at least \$100,000, the contractor or subcontractor shall also comply with Section 3 requirements.
- (d) The Section 3 project area is defined as Sonoma County.
- (e) Very low-income person is defined as a person whose household income does not exceed 50% of the median income of the SMSA.

4. Contractual Requirements

In all contracts for work in connection with a Section 3 covered project, the following clause (referred to as the Section 3 Clause) will be included:

Section 3 Clause

- (a) The work to be performed under this Contract 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”). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted developments covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons including persons who are recipients of HUD assistance for housing, with preference for both targeted workers living in the service area or neighborhood of the Development and Youthbuild participants, as defined at 24 CFR Part 75 (“Section 3 Regulations”).
- (b) The Parties agree to comply with HUD's regulations in Section 3 Regulations, which implement Section 3. As evidenced by their execution of this Contract, the Parties certify that they are under no contractual or other impediment that would prevent them from complying with the Section 3 Regulations.
- (c) The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining agreement or other

understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this section of the Contract, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference and shall set forth the following: (i) minimum number and job titles subject to hire, (ii) availability of apprenticeship and training positions, (iii) qualifications for each, (iv) name and location of the person(s) taking applications for each of the positions, and (v) the anticipated date the work shall begin. (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the contractor is in violation of the regulations in, 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

- (d) The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in Section 3 Regulations and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in Section 3 Regulations. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in Section 3 Regulations.
- (e) The Contractor will certify that any vacant employment positions, including training positions, that are filled (i) after a contractor is selected but before the contract is executed, and (ii) with persons other than those to whom the regulations of Section 3 Regulations require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under Section 3 Regulations..
- (f) Noncompliance with HUD's regulations in Section 3 Regulations may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.

5. Section 3 Compliance

Assurances required by HUD have been made by the Sonoma County Community Development Commission that, to the greatest extent feasible, contracts/subcontracts for work on Section 3 covered projects will be awarded to eligible project area Section 3 business concerns and that, to the greatest extent feasible, vacancies in the recipient's/contractor's/subcontractor's work force will be filled with low- and very low-income project area residents.

To attain this goal, the recipient of HUD funds shall develop an affirmative action plan for utilizing eligible project area Section 3 business concerns and low- and very low-income residents or adopt the following Community Development Commission Affirmative Action Plan. The following requirements are in accordance with the Commission's Plan:

For purposes of this Paragraph 5, the term “contractor” refers to the recipient of Section 3 covered assistance, as well as to any contractors and subcontractors entering into Section 3 covered contracts.

- (a) For all Section 3 covered work to be sub-contracted, the contractor shall solicit bids from local project area Section 3 business concerns.
 - (b) Contractor shall establish a goal for awarding contracts for building trades work arising in connection with Section 3 covered housing rehabilitation, housing construction and public construction of not less than 10% of the total dollar amount of all contracts to be awarded.
 - (c) The contractor shall notify all union or labor organizations with which it has collective bargaining agreements of the contractor’s commitment to comply with the Section 3 requirements, and shall request union cooperation in utilizing low- and very low-income project area residents.
 - (d) The contractor shall attempt to recruit eligible low- and very low-income project area residents to fill all vacancies in its work force by advertising in a local newspaper, by placing signs at the project site, by contacting the local State Employment Office and by requesting unions to refer lower-income project area residents.
 - (e) The contractor shall include with its proposal, a list of the names and addresses and the dollar amounts of the sub-contracts that the contractor proposes to award to eligible project area Section 3 business concerns.
 - (f) Prior to construction on a Section 3 covered project, the selected contractor shall submit to the Construction Services and Affordable Housing Finance Manager the following documents:
 - The bidder's affirmative action plan (if applicable).
 - Copies of contractor's notices or advertisements for soliciting bids for sub-contracts from eligible project area Section 3 business concerns.
 - Copies of contractor's notice to unions requesting low- and very low-income project area residents.
6. The contractor shall determine the maximum number of trainee and employee positions that can be utilized on the project by the following methods:

Trainees:

For building construction, the number of trainees should be that which can reasonably be used in each trade during each phase of the project. However, this number MAY NOT be less than the minimum number of trainees determined appropriate by the Secretary of Labor for each building construction trade or occupation.

For non-construction occupations (or building construction occupations where the Secretary of Labor has not set a ratio for trainees) the contractor must set the maximum number of trainees feasible for this number.

Employees:

Identify the number of employees needed (skilled, semi-skilled, un-skilled), including management and administrative support jobs directly related to the Section 3 covered activities, by occupational categories.

Identify the number of positions currently occupied by permanent employees by occupational categories.

Establish a goal for the number of vacant positions to be filled by low- and very low-income project area residents of not less than 30% of the aggregate number of new hires during the fiscal year in which HUD assistance is received.

7. The contractor shall submit to the Construction Services and Affordable Housing Finance Manager the following documents:
 - (a) An up-to-date list of names, addresses and phone numbers of all project area residents seeking employment with the contractor, indicating those that were employed and if not employed, the reason why they were not employed.
 - (b) An up-to-date list of the contractor's work force.
 - (c) An up-to-date list of eligible project area Section 3 business concerns contacted and those utilized on the project, including the dollar amount of work performed or materials supplied.
 - (d) A statement describing contractor's good faith efforts in recruiting low- and very low-income project area residents and soliciting bids from Section 3 business concerns located in the project area.