



**Mayor's Office of Housing
& Community Development
(MOHCD)**

Eric D. Shaw
Director

TO: **Grantee Signatory / Keith Nagayama / Eric D. Shaw / Mayor London N. Breed**

FROM: **Dolly Sithounnolat (dolly.sithounnolat@sfgov.org)**

CONTACT: **Hugo Ramirez (hugo.ramirez@sfgov.org)**

SUBJECT: **Request for Signature on the Attached Grant Agreement**

DATE: **May 3, 2021**

The following information describes the grant amendment:

Name of Grantee: **Catholic Charities CYO of the Archdiocese of San Francisco**

Project ID: **155611-20**

Project Area: **Eviction Prevention and Housing Stabilization**

Strategy: **Tenant-Based Rental Subsidies**

Project Name: **U.S. Treasury emergency rental assistance program**

Grant Term: **5/1/2021 – 9/30/2022**

Grant Award (one-time):	CDBG	HOPWA	General Fund	Housing Trust Fund	Treasury ERA	Total Grant Award
	\$0	\$0	\$0	\$0	\$6,000,000	\$6,000,000

For MOHCD Use Only:

Routing Notes (if applicable):

- ☐ Appendix B (not applicable for amendments)
- ☐ Updated Insurance in GMS
- ☐ Audit Requirement(s) in GMS



City and County of San Francisco

Mayor's Office of Housing and Community Development
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103

Office of Economic and Workforce Development
City Hall, Room 448
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Grant Agreement Packet

Agency Name:	Catholic Charities CYO of the Archdiocese of San Francisco
Agency DUNS Number:	07-465-4880
Program Area:	Eviction Prevention and Housing Stabilization
Strategy 1	Tenant-Based Rental Subsidies
Strategy 1 Amount	\$6,000,000.00
Total Current Year Grant Amount	\$6,000,000.00
Program Year:	2020-2021
Project ID:	155611-20
Project Description:	Rental assistance to vulnerable tenants, particularly communities most disproportionately negatively impacted by the COVID-19 pandemic
Grant Agreement Period:	May 1, 2021 – September 30, 2022
Total Grant Agreement Amount:	\$6,000,000

Awarding Agency and Contact Information:

Mayor's Office of Housing and Community Development
Grants Coordinator: Hugo Ramirez
Phone Number: 415-701-5516
Email Address: hugo.ramirez@sfgov.org

**GRANT AGREEMENT
(FY 2020-2021)**

between

CITY AND COUNTY OF SAN FRANCISCO

and

CATHOLIC CHARITIES CYO OF THE ARCHDIOCESE OF SAN FRANCISCO

THIS GRANT AGREEMENT (this “Agreement”) is made this May 1, 2021, in the City and County of San Francisco, State of California, by and between **CATHOLIC CHARITIES CYO OF THE ARCHDIOCESE OF SAN FRANCISCO**, a California nonprofit public benefit corporation (“Grantee” or “Contractor”), and the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation (“City”), acting by and through the Mayor’s Office of Housing and Community Development or Office of Economic and Workforce Development (“MOHCD/OEWD”).

WITNESSETH:

WHEREAS, Grantee has submitted a grant application to MOHCD/OEWD seeking a grant for the purpose of funding the matters set forth in the Work Program (as defined below);

WHEREAS, City has reviewed the grant application, and has agreed to grant certain funds to Grantee on the terms and conditions set forth in this Agreement;

WHEREAS, Grantee understands and acknowledges that City is using this Agreement for different types of grants with different grant fund sources, including funds from (i) City's general fund; (ii) the United States Department of Housing and Urban Development (“HUD”), including Community Development Block Grant (“CDBG”) funds under Title I of the Housing and Community Development Act of 1974 (42 U.S.C. Sections 5301 et. seq.), as amended, Emergency Solutions Grant Program (“ESG”) funds under the McKinney-Vento Homeless Assistance Act (42 U.S.C. Sections 11301 et. seq.), as amended, Housing Opportunities for Persons With AIDS (“HOPWA”) funds under the AIDS Housing Opportunity Act (42 U.S.C. Sections 12901 et. seq.), HOME Investment Partnerships Program (“HOME”) funds under Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. Sections 12721 et. seq.), Coronavirus Aid, Relief and Economic Security Act (“CARES Act”) Community Development Block Grant (“CDBG-CV”) funds under the CARES Act (Public Law 116-136) and Title I of the Housing and Community Development Act of 1974 (42 U.S.C. Sections 5301 et. seq.), as amended, CARES Act Emergency Solutions Grant Program (“ESG-CV”) funds under the “Homeless Assistance Grants” heading of Title XII of Division B of the CARES Act (Public Law 116-136) and Subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. Sections 11371 et. seq.), as amended, and CARES Act Housing Opportunities for Persons With AIDS (“HOPWA-CV”) funds under the CARES Act (Public Law 116-136) and the AIDS Housing Opportunity Act (42 U.S.C. Sections 12901 et. seq.), as amended; (iii) the California Department of Housing and Community Development (“HCD”) Housing-Related Parks Program funds (“HRP”) under the State of California’s Housing and Emergency Shelter Trust Fund Act of 2006, Health and Safety Code Section 53545, subdivision (d), originally established pursuant to Chapter 641, Statutes of 2008 (AB 2494, Caballero), at Chapter 8 of Part 2 of Division 31 of the Health and Safety Code (commencing with Section 50700) and subsequently amended pursuant to Chapter 779, Statutes 2012 (AB 1672, Torres); (iv) the South of Market Community Stabilization Fund (“SoMa Fund”) under San Francisco Planning Code Section 418, which establishes the Fund and permits the City to use the Fund to address the impacts of destabilization on residents and businesses in SOMA (as hereinafter defined) including assistance for: affordable housing and community asset building, small business rental assistance, development of new affordable homes for rental units for low income households, rental subsidies for low income households, down payment assistance for home ownership for low income households, eviction prevention, employment development and capacity building for SOMA residents, job growth and job placement, small business assistance, leadership development, community cohesion, civic participation, and community based programs and economic development; and (v) the United States Department of the Treasury (“Treasury”), including Emergency Rental Assistance Program (“ERA”) funds under section 501 of Division N of the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260, as amended.

WHEREAS, If Grantee has one or more existing HOPWA loan agreements with the City (a “HOPWA Loan”), such HOPWA Loan(s) are listed on the first page of this Agreement;

WHEREAS, The funding source for this grant is identified on the first page of this Agreement;

WHEREAS, Grantee understands and agrees that all of the provisions below apply to this Agreement, except any provisions that expressly provide that they are limited to a particular funding source which is not the source of the funds for this Agreement (as identified on the first page of this Agreement);

WHEREAS, Grantee seeks funds for the Work Program, as defined below, and City agrees to provide such funds, on the terms and conditions set forth herein; and,

WHEREAS, It is anticipated that the Board of Supervisors will establish a new City department that will serve as the City's lead agency with respect to the provision and coordination of homeless services, and that such department will assume management of this Agreement (**For ESG Grants only**).

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1 DEFINITIONS

Section 1.01 – Specific Terms

Unless the context otherwise requires, the following capitalized terms (whether singular or plural) shall have the meanings set forth below:

- (a) **“Acquired Immunodeficiency Syndrome (AIDS) or Related Diseases”** shall mean the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome, including infection with the human immunodeficiency virus (HIV).
- (b) **“ADA”** shall mean the Americans with Disabilities Act (including all rules and regulations thereunder) and all other applicable federal, state and local disability rights legislation, as the same may be amended, modified or supplemented from time to time.
- (c) **“Application Documents”** shall mean collectively: (i) the grant application submitted by Grantee, including all exhibits, schedules, appendices and attachments thereto; (ii) all documents, correspondence and other written materials submitted in respect of such grant application; and (iii) all amendments, modifications or supplements to any of the foregoing approved in writing by City.
- (d) **“CDBG Program”** shall mean, as applicable, the 2020-2021 CDBG Program and the CDBG-CV Program on file with MOHCD/OEWD, together with all applicable federal regulations and the CDBG and CDBG-CV grant agreements between HUD and City.
- (e) **“Charter”** shall mean the Charter of City.
- (f) **“CMD”** shall mean the Contract Monitoring Division of the City.
- (g) **“Contractor”** shall have the meaning as “Grantee” if used in this Agreement, as certain City contracting requirements also apply to grants of the City of San Francisco.
- (h) **“Controller”** shall mean the Controller of City.
- (i) **“Effective Date”** shall have the meaning set forth in Section 3.01 below.

- (j) **"ERA"** shall mean the 2021 ERA Program on file with MOHCD/OEWD, together with all applicable federal regulations and the ERA agreement between the Treasury and City.
- (k) **"ESG Program"** shall mean, as applicable, the 2020-2021 ESG Program and the ESG-CV Program on file with MOHCD/OEWD, together with all applicable federal regulations and the ESG and ESG-CV grant agreements between HUD and City.
- (l) **"Event of Default"** shall have the meaning set forth in Section 14.01 below.
- (m) **"Fiscal Quarter"** shall mean each period of three (3) calendar months commencing on July 1, October 1, January 1 and April 1, respectively.
- (n) **"Fiscal Year"** shall mean each period of twelve (12) calendar months commencing on July 1 and ending on June 30 during all or any portion of which this Agreement is in effect.
- (o) **"Form H"** shall have the meaning set forth in Section 7.03(C) below.
- (p) **"Funding Source"** shall mean the federal, state or city program under which MOHCD/OEWD receives the funding from which this grant is made.
- (q) **"Grant"** shall mean this Agreement.
- (r) **"Grant Amount"** shall mean the total funds authorized for distribution to Grantee under this Agreement, as set forth in Section 5.01 below.
- (s) **"Grant Funds"** shall mean any and all funds allocated or disbursed to Grantee under this Agreement.
- (t) **"HOME Program"** shall mean the 2020-2021 HOME Program on file with MOHCD/OEWD, together with all applicable federal regulations and the HOME grant agreement between HUD and City.
- (u) **"Homeless Individual or Family"** is defined in the ESG program regulations at 24 C.F.R. 576.2.
- (v) **"HOPWA Program"** shall mean, as applicable, the 2020-2021 HOPWA Program and the HOPWA-CV Program on file with MOHCD/OEWD, together with all applicable federal regulations and the HOPWA and HOPWA-CV grant agreements between HUD and City.
- (w) **"HRP Program"** shall mean the HRP Program on file with MOHCD/OEWD, together with all applicable state regulations, the HRP Program Guidelines, and the HRP grant agreement between HCD and City.
- (x) **"Improved Property"** shall have the meaning set forth in Section 8.06(D) below.
- (y) **"Improvements"** shall mean improvements, renovations or rehabilitation funded in whole or in part with the Grant Amount.
- (z) **"Indemnified Parties"** shall mean: (i) City, including MOHCD/OEWD and all commissions, departments, agencies and other subdivisions of City; (ii) City's elected officials, directors, officers, employees, agents, successors and assigns; and (iii) all persons or entities acting on behalf of any of the foregoing.
- (aa) **"Losses"** shall mean any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, judgments, fees, expenses and costs of whatsoever kind and nature (including legal fees and expenses and costs of investigation, of prosecuting or defending any Loss described above) whether or not such Loss be founded or unfounded, of whatsoever kind and nature.
- (bb) **"MOHCD/OEWD Program"** shall mean the federal, state or local funding program that MOHCD/OEWD is administering.

(cc) **"Procedures Manual"** shall mean the MOHCD/OEWD Operating and Procedures Manual, the Capital Implementation Manual, and/or the Small Business Enterprise Program Manual, as appropriate, and as the same may be amended from time to time.

(dd) **"Project Budget"** shall mean each budget setting forth the uses of Grant Funds for a Work Program identified in Appendix A attached hereto.

(ee) **"Publication"** shall mean any report, article, educational material, handbook, brochure, pamphlet, press release, public service announcement, web page, audio or visual material or other communication for public dissemination, which relates to all or any portion of the Work Program or is paid for in whole or in part using Grant Funds.

(ff) **"SOMA"** shall mean the area in San Francisco bounded by Market Street to the north, Embarcadero to the east, King Street to the south, and South Van Ness and Division to the west.

(gg) **"Tenure Period"** shall have the meaning set forth in Section 3.03 below.

(hh) **"Value of the Building"** shall mean the reasonable monetary value assigned to the building, such as the value assigned by an independent real estate appraiser.

(ii) **"Work Product"** shall have the meaning set forth in Section 4.05 below.

(jj) **"Work Program"** shall mean the Grantee's activities during a Grant Year identified in Appendix A attached hereto.

Section 1.02 – Incorporation of Funding Source Requirements

Grantee understands and acknowledges the limitations and requirements imposed on Grantee as a result of the Funding Source for this Agreement, as identified on the first page of this Agreement, including applicable federal and/or state regulations and the agreement between City and the federal or state entity, if any, that provided the funds to City for this Agreement. As a result, all CDBG grants require strict compliance with the CDBG Program, all ESG grants require strict compliance with the ESG Program, all HOPWA grants require strict compliance with the HOPWA Program, all HOME grants require strict compliance with the HOME Program, and all ERA grants require strict compliance with the ERA Program. Grantee agrees that all activities taken by Grantee and its agents under this Agreement shall comply with the applicable program requirements and, if Grantee has any questions regarding such requirements Grantee shall (i) look at the applicable program requirements on file at MOHCD/OEWD, and (ii) seek clarification from MOHCD/OEWD staff.

Section 1.03 – Additional Terms

The terms "as directed," "as required" or "as permitted" and similar terms shall refer to the direction, requirement or permission of MOHCD/OEWD. The terms "sufficient," "necessary" or "proper" and similar terms shall mean sufficient, necessary or proper in the sole judgment of MOHCD/OEWD. The terms "approval," "acceptable" or "satisfactory" or similar terms shall mean approved by, acceptable to or satisfactory to MOHCD/OEWD. The terms "include," "included" or "including" and similar terms shall be deemed to be followed by the words "without limitation". The use of the term "subcontractor," "successor" or "assign" herein refers only to a subcontractor ("subgrantee"), successor or assign expressly permitted under Article 7.

Section 1.04 – References to this Agreement

References to this Agreement include: (a) any and all appendices, exhibits, schedules, attachments hereto; (b) any and all statutes, ordinances, regulations or other documents expressly incorporated by reference herein; and (c) any and all amendments, modifications or supplements hereto made in accordance with Section 19.02. References to articles, sections, subsections or appendices refer to articles, sections or subsections of or appendices to this Agreement, unless otherwise expressly stated. Terms such as "hereunder," "herein" or "hereto" refer to this Agreement as a whole.

ARTICLE 2 APPROPRIATION AND CERTIFICATION OF GRANT FUNDS; LIMITATIONS ON CITY'S OBLIGATIONS

Section 2.01 – Risk of Non-Appropriation of Grant Funds

This Agreement is subject to the budget and fiscal provisions of the Charter. City shall have no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. Grantee acknowledges that City budget decisions are subject to the discretion of its Mayor and Board of Supervisors. Grantee assumes all risk of possible non-appropriation or non-certification of funds, and such assumption is part of the consideration for this Agreement.

Section 2.02 – Certification of Controller

Charges will accrue only after prior written authorization certified by the Controller, and the amount of City's obligation shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization.

Section 2.03 – Automatic Termination for Nonappropriation of Funds

This Agreement shall automatically terminate, without penalty, liability or expense of any kind to City, at the end of any Fiscal Year if funds are not appropriated for the next succeeding Fiscal Year. If funds are appropriated for a portion of any Fiscal Year, this Agreement shall terminate, without penalty, liability or expense of any kind to City, at the end of such portion of the Fiscal Year.

Section 2.04 – Superseding of Conflicting Provisions

IN THE EVENT OF ANY CONFLICT BETWEEN ANY OF THE PROVISIONS OF THIS ARTICLE 2 AND ANY OTHER PROVISION OF THIS AGREEMENT, THE APPLICATION DOCUMENTS OR ANY OTHER DOCUMENT OR COMMUNICATION RELATING TO THIS AGREEMENT, THE TERMS OF THIS ARTICLE 2 SHALL GOVERN.

Section 2.05 – Maximum Costs

Except as may be provided by City ordinances governing emergency conditions, City and its employees and officers are not authorized to request Grantee to perform services or to provide materials, equipment and supplies that would result in Grantee performing services or providing materials, equipment and supplies that are beyond the scope of the services, materials, equipment and supplies specified in this Agreement unless this Agreement is amended in writing and approved as required by law to authorize the additional services, materials, equipment or supplies. City is not required to pay Grantee for services, materials, equipment or supplies provided by Grantee that are beyond the scope of the services, materials, equipment and supplies agreed upon herein and not approved by a written amendment to this Agreement lawfully executed by City. City and its employees and officers are not authorized to offer or promise to Grantee additional funding for this Agreement that exceeds the maximum amount of funding provided for herein. Additional funding for this Agreement in excess of the maximum provided herein shall require lawful approval and certification by the Controller. City is not required to honor any offered or promised additional funding which exceeds the maximum provided in this Agreement which requires lawful approval and certification of the Controller when the lawful approval and certification by the Controller has not been obtained. The Controller is not authorized to make payments on any agreement for which funds have not been certified as available in the budget or by supplemental appropriation.

ARTICLE 3 EFFECTIVE DATE, TERM AND TENURE PERIOD

Section 3.01 – Effective Date

This Agreement shall become effective when (i) duly executed by all of the parties and (ii) the Controller has certified to the availability of funds as set forth in Section 2.02 and MOHCD/OEWD has notified Grantee thereof in writing (the "Effective Date").

Section 3.02 – Duration of Term

Time is of the essence in this Agreement. The term of this Agreement shall commence on May 1, 2021. Such term shall end at 11:59 p.m. San Francisco time on September 30, 2022. Any funds not expended for eligible costs on or before the expiration or termination date shall be immediately returned to the City, regardless of the reason for the delayed expenditure and regardless of whether Grantee has completed the Work Program.

For all projects that include construction or renovation of facilities, construction must begin as soon as reasonably possible but in no event later than one year after the Effective Date of this Agreement. Without limiting City's right and remedies under this Agreement, (1) City has the right to terminate this Agreement and use the Grant Funds for other purposes at any time before the start of construction, (2) any extension of the term of this Agreement is subject to the prior written approval of MOHCD, which approval may be given or denied in MOHCD's sole discretion. If Grantee holds any Grant Funds at the time of the expiration or termination of this Agreement, which Grant Funds were not expended for eligible costs before the expiration or termination date, then Grantee shall immediately notify City of the remaining balance of the unexpended Grant Funds. City will decide either to: (1) extend the term and allow the Grant Funds to be used for identified eligible costs; or (2) require the immediate return of the unexpended Grant Funds; and City will notify Grantee in writing of its decision. Grantee shall not expend any Grant Funds during the period between the expiration or termination date and the date that City notifies Grantee of its decision.

Section 3.03 – Tenure Period

This Section does not apply if Grantee is acting as an intermediary in administering a rehabilitation, renovation or improvement program.

(For CDBG grants and all other non-ESG and non-HOPWA grants) Notwithstanding the expiration or termination of this Agreement, if the Grant Funds are used for the purchase or improvement of real property, then Grantee shall maintain the acquired or improved property for eligible purposes consistent with the terms of this Agreement for not less than the Tenure Period. The "Tenure Period" of this Agreement is the period of time that starts with the later of the purchase of the applicable real property or the completion of the improvements and that ends five (5), ten (10), twenty (20) or thirty (30) years thereafter based on the applicable Grant Funds and Work Program set forth in the chart below.

For Improvement of Real Property:

MOHCD Grant Funds	Tenure Period
Not exceeding \$200,000	Five (5) years
More than \$200,000 but not exceeding \$500,000	Ten (10) years
More than \$500,000	Twenty (20) years

For Acquisition of Real Property:

MOHCD Grant Funds	Tenure Period
Not exceeding \$200,000	Twenty (20) years
More than \$200,000	Thirty (30) years

In the event the Work Program contains both improvements and acquisition of real property, the Tenure Period shall be the greatest applicable time period.

(For ESG grants) Each building renovated with ESG funds must be maintained as a shelter for homeless individuals and families for not less than the Tenure Period. The "Tenure Period" of this Agreement is the period of time that starts on the date the building is first occupied by a homeless individual or family after the completed renovation and that ends ten (10) years or twenty (20) years thereafter based on the applicable Grant Funds set forth in the chart below.

MOHCD Grant Funds	Tenure Period
Not exceeding \$500,000	Ten (10) years
More than \$500,000	Twenty (20) years

(For HOPWA grants) Any building assisted with HOPWA funds involving new construction, acquisition, rehabilitation or repair must be maintained as a facility to provide housing or assistance for individuals with Acquired Immunodeficiency Syndrome or Related Diseases for not less than the Tenure Period. The “Tenure Period” of this Agreement is the period of time that starts with the later of the purchase of the applicable building or the completion of the improvements and that ends ten (10) years, twenty (20) years or thirty (30) years thereafter based on the applicable Grant Funds and Work Program set forth in the chart below. In addition, for Grantees that have entered into a HOPWA Loan, the Tenure Period of this Agreement will end on the later of (i) the date that is ten (10) years, twenty (20) years or thirty (30) years after the purchase of real property or the completion of improvements, as set forth in the tables below, or (ii) the date the HOPWA Loan agreement expires.

For Improvement (new construction, rehabilitation or repair) of Real Property:

MOHCD Grant Funds	Tenure Period
Not exceeding \$500,000	Ten (10) years
More than \$500,000	Twenty (20) years

For Acquisition of Real Property:

MOHCD Grant Funds	Tenure Period
Not exceeding \$200,000	Twenty (20) years
More than \$200,000	Thirty (30) years

In the event the Work Program contains both improvements and acquisition of real property, the Tenure Period shall be the greatest applicable time period.

ARTICLE 4 IMPLEMENTATION OF WORK PROGRAM

Section 4.01 – Implementation of Work Program; Cooperation with Monitoring

A. Grantee shall use the Grant Funds distributed by City under this Agreement solely for the Work Program(s) identified in and attached hereto as Appendix A and in accordance with the associated Project Budget(s) also identified in and attached hereto as Appendix A. Grantee shall not use the Grant Funds for any other purpose. If the Term of this Agreement is longer than one (1) year, Grantee shall, in good faith and with diligence, cooperatively draft with MOHCD/OEWD a Work Program and Project Budget for each year of the Term (each, a Grant Year”). Grantee shall submit to MOHCD/OEWD a Work Program and Project Budget no later than fifteen (15) days prior to the commencement of each Grant Year. Each Work Program and Project Budget approved by MOHCD/OEWD in a successive Grant Year is hereby attached hereto as Appendix A and incorporated herein. Grantee acknowledges and understands that MOHCD/OEWD will not obtain certification from the Controller until each Work Plan and each Project Budget are approved by MOHCD/OEWD for each Grant Year, as applicable. In the event Grantee has more than one Work Program under this Agreement, Grantee shall: (i) submit a separate Project Budget for each such Work Program, and (ii) administer and maintain records for each Work Program and Project Budget separately. In no event shall there be any transfer of Grant Funds from one Work Program and Project Budget to another Work Program and Project Budget of a different Grant Year without the prior written approval of City. The provisions and terms of this Agreement shall apply with respect to each Work Program and Project Budget, including any successive Work Program and Project Budget in each Grant Year, and each reference to the Work Program or Project Budget shall include the singular and/or the collective, as appropriate. In the event of a breach of this Agreement with respect to any one or more of the attached Work Programs, MOHCD/OEWD shall have the right to suspend or terminate this Agreement as to all of the Work Programs.

B. Grantee shall, in good faith and with diligence, (i) expeditiously administer and implement the Work Program on the terms and conditions set forth in this Agreement and in accordance with the Project Budget, and (ii) fully and faithfully perform all duties and tasks necessary to meet the goals set forth in the Work Program. Grantee shall not materially change the nature or scope of any Work Program or Project Budget during the term of this Agreement without the prior written consent of City. Grantee shall promptly comply with all standards, specifications and formats of City under the MOHCD/OEWD Program, including those set forth in MOHCD/OEWD’s Operating Procedures Manual and/or Capital Implementation Manual (the "Procedures Manual") previously delivered to Grantee and incorporated herein by this reference, as the same may be updated or amended

from time to time, related to evaluation, planning and monitoring of the Work Program and shall cooperate in good faith with City in any evaluation, planning or monitoring activities conducted or authorized by City.

C. **(Subsection for CDBG, ESG and HOPWA Grants only)** The Work Program for direct services must be intended to either maintain services that are currently funded with CDBG, ESG or HOPWA or increase the level of services currently provided by Grantee.

D. **(Subsection for CDBG, ESG and HOPWA Grants only)** Grantee shall abide by all existing and future applicable federal laws and regulations, including HUD, DOJ and Council on Environmental Quality (CEQ) regulations, as they may be amended, from time to time, pertaining to the Work Program and to third person contracts or agreements relating to the Work Program. In the event the Funding Source amends, waives, or repeals any Funding Source administrative regulation previously applicable to Grantee's performance under this Agreement, MOHCD/OEWD expressly reserves the right to require performance of Grantee as though the regulation were not amended, waived or repealed, subject only to written and binding objection by the Funding Source. Prior to constructing any physical improvements using the Grant Funds, Grantee shall forward to City a copy of any required environmental approvals, determinations, negative declaration exemptions or the like.

E. Grantee shall, upon request or as appropriate, prepare and make public presentations or conduct public meetings or hearings relative to the accomplishments of the Work Program. Grantee agrees to promptly comply with any request by MOHCD/OEWD to conduct such presentations or meetings in response to MOHCD/OEWD or community concerns relating to the Work Program.

Section 4.02 – Grantee's Personnel

The Work Program shall be implemented only by competent personnel under the direction and supervision of Grantee.

Section 4.03 – Works for Hire

If, in connection with this Agreement or the implementation of the Work Program, Grantee or any subcontractor creates artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, source codes or any other original works of authorship or Publications, such creations shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such creations shall be the property of City. If it is ever determined that any such creations are not works for hire under applicable law, Grantee hereby assigns all copyrights thereto to City, and agrees to provide any material, execute such documents and take such other actions as may be necessary or desirable to effect such assignment. With the prior written approval of City, Grantee may retain and use copies of such creations for reference and as documentation of its experience and capabilities. Grantee shall obtain all releases, assignments or other agreements from subcontractors or other persons or entities implementing the Work Program to ensure that City obtains the rights set forth herein.

Section 4.04 – Publications and Work Product

A. Grantee understands and agrees that City has the right to review, approve, disapprove or conditionally approve, in its sole discretion, the work and property funded in whole or part with the Grant Funds, whether those elements are written, oral or in any other medium. Grantee has the burden of demonstrating to City that each element of work or property funded in whole or part with the Grant Funds is directly and integrally related to the Work Program as approved by City. City shall have the sole and final discretion to determine whether Grantee has met this burden.

B. Without limiting the obligations of Grantee set forth in Section 4.03(B) above, Grantee shall submit to City for City's prior written approval any Publication or any training material that Grantee prepares and pays for in whole or part with the Grant Funds under this Agreement and that is included as part of the Work Program, and Grantee shall not disseminate any such Publication or training material unless and until it receives City's consent. In addition, Grantee shall submit to City for approval, if City so requests, any other program material or form that Grantee uses or proposes to use in furtherance of the Work Program, and Grantee shall promptly provide to City one copy of all such materials or forms within two (2) business days following City's request. City's approval of any material hereunder shall not be deemed an endorsement of, or agreement with, the contents of such material, and City shall have no liability or responsibility for any such contents. City reserves the right to disapprove any material covered by this section at any time, notwithstanding a prior approval by City of such material. Grantee shall not charge for the use or distribution of any Publication or training material funded all or in part with the Grant Funds, without first obtaining City's written consent, which City may give or withhold in its sole discretion.

C. Grantee shall distribute any Publication, training material or other material funded in whole or part with the Grant Funds under this Agreement solely within San Francisco, unless Grantee demonstrates a public benefit to San Franciscans from a broader distribution and City otherwise gives its prior written consent, which City may give or withhold in its sole discretion. In addition, Grantee shall furnish any services funded in whole or part with the Grant Funds under this Agreement solely within San Francisco, unless City otherwise gives its prior written consent, which City may give or withhold in its sole discretion.

D. City may disapprove any element of work or property funded in whole or part by the Grant Funds that City determines, in its sole discretion, has any of the following characteristics: is divisive or discriminatory on a basis prohibited under Section 18.01 below; undermines the purpose of the Work Program; discourages otherwise qualified potential employees or volunteers or any clients from participating in activities covered under the Work Program; undermines the effective delivery of services to clients of Grantee; hinders the achievement of any other purpose of City in making the Grant under this Agreement; or violates any other provision of this Agreement or applicable law. If City disapproves any element of the Work Program as implemented, or requires any change to it, Grantee shall immediately eliminate the disapproved portions and make the required changes. If City disapproves any materials, activities or services provided by third parties, Grantee shall immediately cease using the materials and terminate the activities or services and shall, at City's request, require that Grantee obtain the return of materials from recipients or deliver such materials to City or destroy them.

E. City has the right to monitor from time to time the administration by Grantee or any of its subcontractors of any programs or other work, including, without limitation, educational programs or trainings, funded in whole or part by the Grant Funds, to ensure that Grantee is performing such element of the Work Program, or causing such element of the Work Program to be performed, consistent with the terms and conditions of this Agreement.

F. Grantee acknowledges the importance of the public's understanding of MOHCD/OEWD efforts. Grantee agrees to identify and publicize newsworthy program accomplishments and activities, and to acknowledge the Funding Source if and when appropriate and possible. In addition, Grantee shall credit MOHCD/OEWD, and the Funding Source as applicable, in all Publications, press releases, brochures, and other material resulting from activities, events, projects or programs supported with the Grant Funds. If a CDBG project, this acknowledgment should identify the project as: "Funded by the Mayor's Office of Housing and Community Development/Office of Economic and Workforce Development through the Community Development Block Grant Program." If an ESG project, this acknowledgment should identify the project as: "Funded by the Mayor's Office of Housing and Community Development through the Emergency Solutions Grant Program." Except as set forth in this Section, Grantee shall not use the name of the MOHCD/OEWD or City (as a reference to the municipal grantee as opposed to location) in any Publication without prior written approval of City.

Section 4.05 – Capital Programs

A. For Work Programs that include construction or renovation activity, Grantee acknowledges that Grant Funds provided under this Agreement are to be used to perform capital improvements, and that such Grant Funds may not be used for subsequent repairs or improvements to the facility following completion of the Work Program. To fund such subsequent work, Grantee shall establish an adequate building repair and maintenance program, subject to review and approval by City that preserves and enhances the life expectancy of the improvements. This may include seeking monies from other sources to establish a building repair/maintenance reserve fund to cover future improvements. No MOHCD/OEWD monies may be used to fund such reserves.

B. For all construction and rehabilitation projects for which permits are required by the San Francisco Building Code, Grantee will obtain the approval of the Mayor's Office on Disability ("MOD") prior to or concurrent with all such applications for Building Permits from the San Francisco Department of Building Inspections unless the project is exempted from MOD review. Projects exempted from MOD review and sign off are those projects that are defined as such in the Capital Implementation Manual published by MOHCD/OEWD.

ARTICLE 5 USE AND DISBURSEMENT OF GRANT FUNDS

Section 5.01 – Maximum Amount of Grant Funds

Grant Amount: The amount of the Grant Funds authorized for disbursement hereunder shall not exceed \$6,000,000.00 during the Term of this Agreement, plus any Contingent Amount (as defined below) authorized by City and certified as available by the Controller (collectively, the "Grant Amount").

Contingent Amount: “Contingent Amount” shall mean an amount not to exceed \$1,500,000.00, in MOHCD/OEWD’s sole discretion, that may be available as contingency funding for the Work Program subject to authorization by the City and certified as available by the Controller. Grantee shall not use or otherwise allocate the Contingent Amount in the Project Budget without: (a) submitting a written request to revise the Project Budget to MOHCD/OEWD along with a proposed revision to the Project Budget and Work Program, if applicable, and (b) prior written approval by MOHCD/OEWD of such revision to the Project Budget and Work Program, if applicable. Grantee further understands and agrees that no disbursement of any portion of the Contingent Amount will be made unless and until such funds are certified as available by Controller. Grantee shall comply with the terms and conditions of this Agreement with regard to the Contingent Amount.

In no event shall the amount of Grant Funds disbursed hereunder exceed \$7,500,000.00.

Section 5.02 – Use of Grant Funds

Grantee hereby agrees that Grant Funds disbursed under this Agreement shall be used solely and strictly in accordance with the terms of this Agreement. Grantee shall expend the Grant Funds in accordance with the Project Budget, and shall obtain the prior approval of City before transferring expenditures from one line item to another within the Project Budget. Grantee acknowledges and agrees that the availability of Grant Funds allocated under this Agreement is expressly conditioned on Grantee's fulfilling all the provisions of the Work Program in accordance with the Project Budget.

Section 5.03 – Other Funding

Grantee shall actively seek non-MOHCD/OEWD funding sources to fund operating costs and cost overruns of the Work Program, to assure continuity and eligibility of the Work Program, and to provide regular maintenance and repair to any facility or equipment. If the Work Program involves construction and the total Work Program costs exceed the Grant Amount, City may condition approval of any construction contract and/or disbursement of any portion of the Grant Amount upon the provision of satisfactory evidence of the availability of funds to cover such shortfall.

Section 5.04 – Disbursement Procedures

A. City will disburse the Grant Amount to Grantee for eligible expenses incurred by Grantee on a cost-reimbursement basis. Grantee shall submit to the City for approval a request for reimbursement (a “Funding Request”) through MOHCD/OEWD’s grants management system or other procedure prescribed by the City. Any unapproved Funding Requests shall be returned by the City to Grantee with a brief explanation why the Funding Request was rejected. If any such rejection relates only to a portion of eligible expenses itemized in a Funding Request, the City shall have no obligation to disburse any Grant Funds for any other eligible expenses itemized in such Funding Request unless and until Grantee submits a Funding Request that is in all respects acceptable to the City.

B. **(Subsection for CDBG, ESG and HOPWA Grants only)** City will distribute the Grant Amount to Grantee for eligible costs incurred by Grantee on a cost-reimbursement basis in conformance with all the terms of this Agreement and with the provisions of Office of Management and Budget (“OMB”) Uniform Guidance requirements in 2 C.F.R. Part 200.

C. NO COST INCURRED BY GRANTEE PRIOR TO THE CERTIFICATION OF THIS AGREEMENT WILL BE REIMBURSED, INCLUDING BUT NOT LIMITED TO ARCHITECT OR CONSULTANT FEES INCURRED IN DEVELOPING THE PROJECT BUDGET OR IMPROVEMENT PLANS FOR THE WORK PROGRAM. IN ADDITION, IF THE WORK PROGRAM IS STALLED OR SUSPENDED FOR ANY PERIOD OF TIME, CITY MAY, AT ITS OPTION, REFUSE TO MAKE ANY PAYMENTS HEREUNDER APPLICABLE TO SUCH PERIOD, INCLUDING PAYMENTS FOR SALARIES AND OTHER FIXED ITEMS OF EXPENSE.

D. The City and its employees and officers are not authorized to request Grantee to perform services or to provide materials, equipment and supplies that are beyond the scope of the Work Program unless this Agreement is amended in writing to authorize such additional services, materials, equipment or supplies. The City is not required to pay Grantee for services, materials, equipment or supplies that are provided by Grantee that are beyond the scope

of the services, materials, equipment and supplies agreed upon herein and that were not approved by a written amendment to this Agreement having been lawfully executed by the City.

E. The City and its employees and officers are not authorized to offer or promise to Grantee additional funding for this Agreement that would exceed the maximum amount of funding provided for herein. Additional funding for this Agreement in excess of the maximum provided herein shall require lawful approval and certification by the Controller. The City is not required to honor any offered or promised additional funding which exceeds the maximum provided in this Agreement that requires lawful approval and certification of the Controller when the lawful approval and certification by the Controller has not been obtained.

F. Upon certification of this Agreement by City's Controller, and upon the execution of any contract between Grantee and its contractor or lessor in accordance with Section 7.03 hereof, City may, at its option, deposit an amount commensurate with the initial payment called for in such contract into a separate account of a designated lending institution established by Grantee solely for funds provided under this Agreement.

G. After the initial advance, if any, made pursuant to Section 5.04 (E) above, Grantee shall submit disbursement requests to MOHCD/OEWD, no more frequently than monthly, together with copies of all invoices and other documents supporting the request as required by the procedures identified in the Procedures Manual. City shall have no obligation to disburse the requested amounts unless and until Grantee has provided appropriate documentation or other support, to the satisfaction of MOHCD/OEWD, that the requested disbursement complies with the requirements of this Agreement. Upon review and approval of the request, and at MOHCD/OEWD's option, a physical inspection of the Work Program, MOHCD/OEWD will process payments to Grantee. If the disbursement request relates to amounts due pursuant to third party contracts, MOHCD/OEWD will not disburse amounts that exceed the amounts specified in the approved contract. For construction contracts, MOHCD/OEWD shall withhold a minimum of 10% of each progress payment (the "Retained Amount") pending final Work Program completion. The Retained Amount will be paid upon MOHCD/OEWD's receipt of a certified Notice of Completion, appropriate lien waivers or releases, a Request for Final Payment together with copies of all invoices and other documents supporting that request, and any other documents or instruments reasonably requested by MOHCD/OEWD. City shall have no obligation to appropriate funds, and City's obligation to make payments hereunder shall automatically terminate, without cost or liability of any kind to City, upon (i) City's payment of all amounts previously appropriated by City, or (ii) City's termination of this Agreement.

H. The City shall make all disbursements of Grant Funds pursuant to this Section through electronic payment or by check payable to Grantee sent via U.S. mail in accordance with Article 15, unless MOHCD/OEWD otherwise agrees in writing, in its sole discretion. For electronic payment, City vendors receiving new contracts, contract renewals, or contract extensions must sign up to receive electronic payments through the City's Automated Clearing House (ACH) payments service/provider. Electronic payments are processed every business day and are safe and secure. To sign up for electronic payments, visit www.sfgov.org/ach. MOHCD/OEWD may, at its option, issue checks payable to the order of Grantee or two-party checks payable to the order of Grantee and its contractor or lessor. Grantee agrees to pay to said contractor or lessor any amounts due within five (5) business days of receipt by Grantee of payment from the City. Grantee further agrees to return any funds to the City, within five (5) business days, if Grantee chooses for any reason not to make payment of the funds to the contractor or lessor.

I. The City's sole obligation under this Agreement shall be to act in good faith to administer the MOHCD/OEWD Program and to make disbursements as it deems appropriate pursuant to the terms of this Agreement. The City shall not, under any circumstances, be liable for any delay in disbursement or for any delay or failure to approve or disburse funds.

J. In the event of any dispute between Grantee and any contractor, lessor or other third party relating to the Work Program, Grantee shall immediately inform the City of the dispute and all information relative to the dispute. The City shall have no responsibility for resolving disputes between Grantee and its contractor or lessor pertaining to the Work Program, nor shall the City be obligated to make any disbursements during the period that the City determines such a dispute exists. In the event any such dispute is not resolved within ninety (90) days, the City may, at its option, immediately suspend or terminate this Agreement and the City shall not be obligated to disburse any funds with respect to the disputed work; provided, however, Grantee shall not be obligated to return any funds which have been disbursed by the City and properly applied by Grantee for permitted expenses under this Agreement.

K. Any and all disbursement must be made in strict accordance with the Project Budget. Grantee agrees to refund to the City any payments that MOHCD/OEWD determines were not properly due to Grantee under this

Agreement, immediately upon receipt of notice from MOHCD/OEWD of such determination. Any amendment to the Project Budget must be made in accordance with Section 19.02.

L. With respect to Grant Funds, if any, which are ultimately provided by the state or federal government, Grantee agrees that if Grantee claims or receives payment from City for an expense, payment or reimbursement of which is later disallowed by the state or federal government, Grantee shall promptly refund the disallowed amount to City upon City's request. At its option, City may offset all or any portion of the disallowed amount against any other payment due to Grantee hereunder or under any other Agreement. Any such offset with respect to a portion of the disallowed amount shall not release Grantee from Grantee's obligation hereunder to refund the remainder of the disallowed amount.

Section 5.05 - Program Income (Section for CDBG, ESG and HOPWA Grants only)

A. "Program Income" shall mean gross income earned by Grantee from CDBG-supported, ESG-supported and HOPWA-supported activities, including but not limited to service fees, proceeds from the sale of commodities and real or personal property, usage and rental fees, payments of principal and interest on loans to eligible recipients and the repayment of deferred payment loans. For projects that include construction, "Program Income" means all gross income from the use or rental of real property that was constructed or improved by funds granted under this Agreement, less costs incidental to generation of such income. To the extent such construction or improvement is assisted with funds other than those granted under this Agreement, "Program Income" shall be adjusted to reflect the percentage of funds granted under this Agreement as compared to the total construction or improvement costs for the project. In addition to the use restrictions discussed in Section 5.05(B) and (C) below, all other provisions of this Agreement shall apply to expenditures of Program Income.

B. Program Income generated prior to the disbursement of the entire Grant Amount shall be retained by Grantee and expended against operating costs or improvement items identified in the Project Budget, or against additional operating costs or improvement items that are approved in writing by MOHCD/OEWD. Program Income shall be substantially disbursed for eligible activities before additional cash disbursements may be requested under this Agreement. The amount of the Grant Amount to be disbursed to Grantee may be reduced to the extent MOHCD/OEWD reasonably determines Program Income is available to pay for items listed in the Project Budget.

C. Program Income earned after the disbursement of the entire Grant Amount but before expiration of the term of this Agreement, as defined in Section 3.02 above shall be expended for eligible activities only and upon the prior written approval of MOHCD/OEWD.

D. Upon expiration of the later of (i) the Tenure Period, as defined in Section 3.03, of this Agreement; (ii) the term of this Agreement (for Work Programs that do not include construction); and (iii) the tenure period of any other CDBG-funded, ESG-funded or HOPWA-funded agreement between City and Grantee, or if such other agreement does not have a tenure period then upon its expiration, Grantee shall return to City any unexpended Program Income from the Work Program or from any other CDBG-funded, ESG-funded or HOPWA-funded activity.

E. Grantee agrees to comply with HUD regulations concerning Program Income, which are established in the Consolidated Community Development Block Grant Regulations (24 C.F.R. Part 570) and Uniform Guidance requirements in OMB C.F.R. Title 2, Subtitle A, Chapter II, Part 200, Subpart D §200.80, all of which are incorporated herein by this reference.

ARTICLE 6 RESTRICTIONS ON THE USE OF THE FUNDS

Section 6.01 – Restrictions on Disbursements

Grantee shall use the Grant Amount only for costs specifically included in the Work Program or Project Budget, or otherwise approved by MOHCD/OEWD in writing. Without limiting the foregoing, under no circumstances shall the Grant Amount be used for any of the following:

A. Costs that violate the terms of this Agreement or exceed the total Project Budget in Appendix A.

B. **(Subsection for CDBG, ESG and HOPWA Grants only)** Costs listed as ineligible in OMB Uniform Guidance requirements in 2 C.F.R. Part 200.

- C. Costs incurred after MOHCD/OEWD has requested Grantee to withhold further disbursements and/or to furnish additional data, until Grantee is thereafter advised by MOHCD/OEWD in writing that City has no objection to Grantee so proceeding.
- D. Payments to any contractor, consultant, lessor or other third party without benefit of a written contract previously approved in writing by MOHCD/OEWD pursuant to Section 7.03, or not in compliance with MOHCD/OEWD requirements relating to consultant and fiscal matters.
- E. **(Subsection for CDBG, ESG and HOPWA Grants only)** To replace non-federal contributions, loans or grants required by any agreement with any federal or federally-funded agency.
- F. Costs incurred by Grantee prior to commencement of the term of this Agreement or following the expiration or earlier termination of this Agreement, regardless of the type of costs.
- G. Costs relating to the acquisition, construction, reconstruction, rehabilitation, repair, maintenance or operation of religious structures used for religious purposes.
- H. Political activities, as more particularly set forth in Section 18.10 below.
- I. **(Subsection for SoMa Grants only)** Grantee shall use the Grant Amount only for costs specifically included in the Work Program. Without limiting the forgoing, under no circumstances shall the Grant Amount be used for any activities that do not address the impact of destabilization on residents and businesses in SOMA, as required under Section 418 of the Planning Code.

Section 6.02 – Contract Close Out

Grantee acknowledges and agrees that the Grant Amount shall be used only to reimburse Grantee for eligible costs incurred by Grantee during the term and that, upon expiration of the term, or upon earlier termination of this Agreement, Grantee shall have no interest in any portion of the Grant Amount that is not required to reimburse Grantee for eligible costs incurred during the term.

ARTICLE 7 ASSIGNMENT AND CONTRACTING

Section 7.01 – No Assignment by Grantee

Grantee shall not, either directly or indirectly, assign, transfer, hypothecate, subcontract or delegate all or any portion of this Agreement or any rights, duties or obligations of Grantee hereunder without the prior written consent of City. This Agreement shall not, nor shall any interest herein, be assignable as to the interest of Grantee involuntarily or by operation of law without the prior written consent of City. A change of ownership or control of Grantee or a sale or transfer of substantially all of the assets of Grantee shall be deemed an assignment for purposes of this Agreement.

Section 7.02 – Agreement Made in Violation of this Article

Any agreement made in violation of Section 7.01 shall confer no rights on any person or entity and shall automatically be null and void.

Section 7.03 – Subcontracting

- A. Grantee, when necessary to complete the Work Program, may subcontract parts of the Work Program to contractors acceptable to MOHCD/OEWD, subject to the provisions of this Section.
- B. Prior to entering into any contract for contractor or consultant services for Ten Thousand Dollars (\$10,000.00) or more, Grantee must submit the proposed contract to MOHCD/OEWD for approval, together with information concerning the qualifications and licensing of the proposed contractor or consultant and any additional information requested by MOHCD/OEWD. All proposed contracts must detail the responsibilities, standards and compensation of the contractor or consultant. Reasons for disapproval of such contract may include, but are not

limited to, a scope of work or budget that does not reflect the Project Budget or Work Program, or insufficient qualifications of the contractor or consultant.

C. No funds will be disbursed by City for the services of a contractor or consultant unless pursuant to a written contract. All contracts for Ten Thousand Dollars (\$10,000.00) or more must be approved in writing by MOHCD/OEWD in advance, and shall be made in conformance with the requirements and procedures set forth in MOHCD/OEWD Form H: Request for Approval of Subcontract and Equipment Purchases ("Form H"). Without limiting the foregoing, all contracts and subcontracts entered into by Grantee must include the applicable provisions of this Agreement relative to the Funding Source.

D. **(Subsection for CDBG, ESG and HOPWA Grants only)** No person providing services under contract with Grantee will receive more than a reasonable rate of compensation for such services paid with the Grant Amount, which amount shall not exceed, on a daily basis, the maximum daily rate of compensation for a GS-18 employee as established by federal law. Adjustments of eligible costs for such services may be made where audit and monitoring reviews indicate that the rates of compensation were not reasonable or exceeded the maximum permissible rates. Services provided under an independent contractor relationship is governed by the Procurement Standards set forth in 2 C.F.R. Part 200 and is not subject to the GS-18 limitation.

E. In the event that Grantee contracts parts of the Work Program to contractors acceptable to MOHCD/OEWD, Grantee shall not thereby be relieved from any liability or obligation under this Agreement and, as between City and Grantee, Grantee shall be responsible for the acts, defaults and omissions of any contractor or its agents or employees as fully as if they were the acts, defaults or omissions of Grantee. Grantee shall ensure that its contractors comply with all of the terms of this Agreement, insofar as they apply to the contracted portion of the Work Program. All references herein to duties and obligations of Grantee shall be deemed to pertain also to all contractors to the extent applicable. A default by any contractor shall be deemed to be an Event of Default hereunder. Nothing contained in this Agreement shall create any contractual relationship between any contractor and City.

F. Each subcontract shall be in form and substance acceptable to City and shall expressly provide that it may be assigned to City without the prior consent of the subcontractor. In addition, each subcontract shall incorporate all of the terms of this Agreement, insofar as they apply to the subcontracted portion of the Work Program. Without limiting the scope of the foregoing, each subcontract shall provide City, with respect to the subcontractor, the audit and inspection rights set forth in Section 6.6. Upon the request of City, Grantee shall promptly furnish to City true and correct copies of each subcontract permitted hereunder.

Section 7.04 – Grantee Retains Responsibility

Grantee shall in all events remain liable for the performance by any assignee or subgrantee of all of the covenants, terms and conditions contained in this Agreement.

ARTICLE 8 ACQUISITION OF REAL AND PERSONAL PROPERTY

Section 8.01 – Purchase Procedures

A. Any purchase of property or services under this Agreement must be consistent with applicable federal, state and local laws.

B. **(Subsection for CDBG, ESG and HOPWA Grants only)** Any purchase of property or services under this Agreement must be consistent with the existing and future procurement standards set forth in 24 C.F.R. Part 570 and 2 C.F.R. Part 200, as the same may be amended, supplanted or supplemented from time to time.

Section 8.02 – Equipment and Supplies

No Grant Funds under this Agreement will be disbursed by City for the purchase of equipment or supplies in an amount of \$3,000.00 or more, unless pursuant to a written contract previously approved by MOHCD/OEWD in writing and made in conformance with the purchase procedures set forth in Form H. Grantee shall not circumvent this requirement for written consent by dividing an order or payment into two or more parts.

Section 8.03 – Acquisition and Disposition of Nonexpendable Property

A. Title to all nonexpendable property (nonexpendable property is property other than real property that costs more than \$500.00 and has a useful life which exceeds one year) acquired by Grantee in whole or in part with funds provided under this Agreement, shall vest immediately in City for the purpose of securing Grantee's performance under this Agreement, unless City notifies Grantee to the contrary. Grantee shall take any and all steps necessary to take title to such property in City's name. Grantee shall have the right to possession of such property, and shall be solely responsible for the use and maintenance of such property and for any liability associated with the property that arises or relates to any act or omission occurring at any point prior to Grantee's delivery of the property to City. Grantee may not alienate, transfer or encumber such property without City's prior written consent. At the end of the term or upon earlier expiration of this Agreement, possession of said property should be immediately surrendered to City.

B. Following the term or earlier expiration of this Agreement, City may release the nonexpendable property to Grantee, reallocate it to Grantee under subsequent Agreements, or allocate it to other beneficial public agencies or private nonprofit grantees.

Section 8.04 – Ownership of Results

Any interest of Grantee or any subcontractor in drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, the contents of computer files or media, or other documents or Publications prepared by Grantee or any subcontractor in connection with this Agreement, the implementation of the Work Program, the services to be performed under this Agreement, or acquired through the use of any Grant Funds ("Work Product"), is hereby pledged to City as security for Grantee's obligations and performance under this Agreement, and upon an Event of Default, shall become the property of and be promptly transmitted by Grantee to City. Upon the written request of City, Grantee shall transmit or deliver to City any Work Product at the end of the term or upon earlier expiration of this Agreement.

Section 8.05 – Acquisition and Disposition of Real Property

The following conditions apply to any acquisition of an interest in real property (the "Acquired Property") in whole or in part with the Grant Amount:

- (a) Grantee must obtain prior written approval from MOHCD/OEWD for any such acquisition.
- (b) **(Subsection for CDBG Grants only)** All such acquisitions are subject to the Environmental Review process as set forth in 24 C.F.R. Part 58. No property may be acquired without first conducting a Phase I Environmental Site Assessment in accordance with the scope and standards of the American Society for Testing and Materials (ASTM) Practice E1527-05.
- (c) Grantee shall be solely responsible for the condition, use and operation of the Acquired Property and for any liability with respect thereto. During the Tenure Period, Grantee will maintain the Acquired Property in good condition and repair and use it to provide services as specified in the Work Program.
- (d) **(Subsection for CDBG Grants only)** Grantee shall be solely responsible for the condition, use and operation of the Acquired Property and for any liability with respect thereto. During the Tenure Period, Grantee will use the Acquired Property for CDBG-eligible activities.
- (e) If the Grant Amount is used in whole or in part for such acquisition, Grantee must execute and record a deed of trust naming City as beneficiary, which such deed of trust must expressly provide that it is executed to secure performance of this Agreement during the Tenure Period. The deed of trust shall be in a form and content approved by MOHCD/OEWD, and shall be recorded as a lien on Grantee's interest in the Acquired Property pursuant to procedures established by MOHCD/OEWD. In the event of a default, City would have all rights and remedies available by law or in equity, including but not limited to the right to foreclose upon the deed of trust. At the discretion of MOHCD/OEWD, Grantee must also execute and record a declaration of restrictions in form and content approved by MOHCD/OEWD that requires Grantee and the Acquired Property to comply with the use restrictions in this Agreement for the Tenure Period.

(f) No portion of Grantee's interest in the Acquired Property or the improvements constructed thereon may be transferred prior to expiration of the Tenure Period without the prior written approval of MOHCD/OEWD. "Transfer" includes any transfer or encumbrance of any of Grantee's interest in such property, and any transfer or encumbrance of any ownership interest in Grantee. If necessary, Grantee must also obtain prior written approval from the Funding Source of such transfer.

(g) Six (6) months following the date of acquisition and annually thereafter during the Tenure Period, Grantee shall file with MOHCD/OEWD written reports on the operation and maintenance of the Acquired Property and shall furnish, upon request, such other pertinent data evidencing continuous use of the Acquired Property for the purposes specified in this Agreement.

(h) **(Subsection for CDBG Grants only)** During the Tenure Period, prior to Grantee quitting, vacating, transferring, selling, or surrendering the real property, or electing or becoming unable to continue the use of said property as specified in the Work Program, Grantee must notify MOHCD/OEWD. MOHCD/OEWD will determine (i) if the property continues to meet a CDBG national objective as required under 24 C.F.R. 570.208, or to be maintained as a facility to provide housing or assistance for individuals with Acquired Immunodeficiency Syndrome or Related Diseases; and (ii) whether a proposed new use meets the City priority, which the Grantee initially agreed to as a condition for receiving such City funding.

If the real property ceases to be used to meet one of the purposes under subsection (i) above, Grantee shall immediately pay to MOHCD/OEWD the higher of: (i) the fair market value of the real property, less any portion of the value attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property; or (ii) the Grant Amount.

In cases where the real property continues to meet one of the purposes under subsection (i) above but the proposed new use is determined by MOHCD/OEWD to not be consistent with the City priority initially agreed to be met by the Grantee, then Grantee shall immediately pay to MOHCD/OEWD the higher of: (i) the fair market value of the real property, less any portion of the value attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property; or (ii) the Grant Amount.

(i) **(Subsection for all other funding sources)** During the Tenure Period, prior to Grantee quitting, vacating, transferring, selling, or surrendering the real property, or electing or becoming unable to continue the use of said property as specified in the Work Program, Grantee must notify MOHCD/OEWD. MOHCD/OEWD will determine whether a proposed new use meets the City priority, which the Grantee initially agreed to as a condition for receiving such City funding. If the real property's new use does not meet a City priority then Grantee shall immediately pay to MOHCD the Grant Amount.

Section 8.06 – Property Improved, Renovated or Rehabilitated with the Funds

This Section does not apply if Grantee is acting as an intermediary in administering a rehabilitation, renovation or improvement program.

A. No real property may be improved, renovated or rehabilitated in whole or in part with the Grant Amount unless Grantee either owns a fee interest in the real property or holds a leasehold interest in the real property with a term or remaining term of not less than the Tenure Period.

B. In the event Grantee owns a fee interest in real property and undertakes Improvements to such real property, then Grantee must, at the time of entering into this Grant Agreement, execute and record a deed of trust naming City as beneficiary, which such deed of trust must expressly provide that it is executed to secure performance of this Agreement during the Tenure Period. The deed of trust shall be in a form and content approved by MOHCD/OEWD, and shall be recorded as a lien on Grantee's fee interest in the Improved Property pursuant to procedures established by MOHCD/OEWD. In the event of a default, City would have all rights and remedies available by law or in equity, including but not limited to the right to foreclose upon the deed of trust.

C. In the event Grantee holds a leasehold interest in real property and undertakes Improvements to the Grantee's leased premises, MOHCD/OEWD may require that Grantee, as lessee, and its lessor amend the lease to include some or all of the following provisions:

1. Landlord and Tenant hereby agree that the City and County of San Francisco, a municipal corporation (hereafter, the "City"), as an intended third-party beneficiary, shall have certain rights exercisable at the election of City upon a default by Tenant. These rights are as follows:

a. Upon a default by the Tenant under this Lease Agreement which occurs during the unexpired term of the Grant Agreement or a default by Landlord which default causes Tenant to vacate the Premises, City shall have the right, but not the duty, to assume the rights and duties of the Tenant under this Lease Agreement or to select a non-profit grantee to assume the said rights and duties. A non-profit grantee so selected by City shall be subject to approval by Landlord, which approval shall not be unreasonably withheld, except in the case of a default by Landlord which causes Tenant to vacate or abandon the Premises, in which case City can assume Tenant's obligations or replace without Landlord's prior approval.

b. During the term of the Grant Agreement, Landlord shall not have the right to cancel this Lease Agreement unless City is given written notice of default and City does not, within sixty (60) days after receipt of such notice, notify the Landlord in writing that City elects to exercise its rights under the above paragraph of this subsection. City shall have the right, within thirty (30) days after giving such notice to Landlord, to commence to cure the default of Tenant and, so long as City shall diligently and in good faith continue to cure Tenant's default, City shall not be in default hereunder. Notwithstanding any of the above provisions, if the default of Tenant is the failure to pay rent, City shall cure such default within sixty (60) days after giving such notice to Landlord.

c. Landlord and Tenant agree that the leased premises will be used for secular purposes and will be available to persons regardless of religious affiliation in accordance with 24 C.F.R. 570.200(j).

d. Landlord and Tenant hereby agree that during the term of the said Grant Agreement the Landlord Tenant (line out either Landlord or Tenant and both parties initial: _____) shall provide property insurance covering all leased real property constructed, improved or rehabilitated in whole or in part by MOHCD/OEWD funds, covering all risks of loss, excluding earthquake and flood, for 100% of the replacement value, with deductible, if any, acceptable to City, and naming City as a Loss Payee, as its interest may appear.

2. **(Subsection for CDBG, ESG and HOPWA Grants only)** The leased premises are to be used to provide neighborhood facilities for eligible activities as defined by HUD.

D. **(Subsection for CDBG Grants only)** During the Tenure Period, prior to Grantee quitting, vacating, transferring, selling, or surrendering any real property or leased real property improved, renovated, rehabilitated with the Grant Amount ("Improved Property"), or electing or becoming unable to continue the use of the Improved Property as specified in the Work Program, Grantee shall provide written notice to MOHCD/OEWD. Pursuant to 24 C.F.R. 570.505, MOHCD/OEWD will determine (i) if the Improved Property continues to meet a CDBG national objective as required under 24 C.F.R. 570.208; and (ii) whether a proposed new use meets the City priority, which the Grantee initially agreed to as a condition for receiving the Grant Amount.

If the Improved Property ceases to be used to meet a CDBG national objective as required under 24 C.F.R. 570.208, Grantee shall immediately pay to MOHCD/OEWD the higher of: (1) the fair market value of the Improvements, less any portion of the value attributable to expenditures of non-CDBG funds to such Improvements; or (2) the Grant Amount.

In cases where the Improved Property continues to meet a CDBG national objective as required under 24 C.F.R. 570.208 but the proposed new use is determined by MOHCD/OEWD to not be consistent with the City priority initially agreed to be met by the Grantee, then Grantee shall immediately pay to MOHCD/OEWD the higher of: (1) the fair market value of the Improvements, less any portion of the value attributable to expenditures of non-CDBG funds to such Improvements; or (2) the Grant Amount.

In addition, for those Grantees that have entered into a HOPWA Loan, a default under the HOPWA Loan agreement shall be a default under this Agreement, and a default under this Agreement shall be a default under the HOPWA Loan agreement.

E. **(Subsection for ESG/HOPWA Grants only)** During the Tenure Period, prior to Grantee quitting, vacating, transferring, selling, or surrendering Improved Property, or electing or becoming unable to continue the use of said Improved Property as specified in the Work Program, Grantee must provide written notice to MOHCD/OEWD. MOHCD/OEWD will determine (i) if the Improved Property continues to be maintained as a shelter for homeless individuals and families, or to be maintained as a facility to provide housing or assistance for individuals with acquired immunodeficiency syndrome or related diseases; and (ii) whether a proposed new use meets the City priority, which the Grantee initially agreed to as a condition for receiving the Grant Amount.

If the Improved Property ceases to be used to meet one of the purposes under subsection (i) above, Grantee shall immediately pay to MOHCD/OEWD the Grant Amount.

In cases where the Improved Property continues to meet one of the purposes under subsection (i) above but the proposed new use is determined by MOHCD/OEWD to not be consistent with the City priority initially agreed to be met by the Grantee, then Grantee shall immediately pay to MOHCD/OEWD the Grant Amount.

In addition, for those Grantees that have entered into a HOPWA Loan, a default under the HOPWA Loan shall be a default under this Agreement, and a default under this Agreement shall be a default under the HOPWA Loan agreement.

F. **(Subsection for all other funding sources)** During the Tenure Period, prior to Grantee quitting, vacating, transferring, selling, or surrendering the Improved Property, or electing or becoming unable to continue the use of such Improved Property as specified in the Work Program, Grantee shall provide written notice to MOHCD/OEWD. MOHCD/OEWD will determine whether a proposed new use meets the City priority, which the Grantee initially agreed to as a condition for receiving the Grant Amount. If the Improved Property's new use does not meet a City priority then Grantee shall immediately pay to MOHCD the Grant Amount.

G. Grantee shall not undertake any physical improvements to Grantee's real property using the Grant Amount under this Agreement until it has received all necessary approvals in connection with any applicable state and/or federal environmental review process.

Section 8.07 – Acquisition and Disposition of Leasehold Interests in Real Property

The following conditions apply to any acquisition of a leasehold interest in real property in whole or in part with the Grant Amount:

A. Any lease must be for a term not less than the Tenure Period. Grantee must submit the proposed lease to MOHCD/OEWD for review and approval prior to execution. Whenever the Grant Funds are used in whole or in part for the acquisition of a leasehold interest in real property, MOHCD/OEWD may require the inclusion of certain language to achieve the purpose of this Agreement and/or the MOHCD/OEWD Program.

B. Grantee must execute and record a deed of trust as a lien on Grantee's leasehold interest naming City as beneficiary or, if approved by City, a deed of trust on other real property of Grantee. The deed of trust must expressly provide that it is executed to secure performance of this Agreement. The deed of trust shall be in a form and content approved by MOHCD/OEWD. In addition or as an alternative to the deed of trust, MOHCD/OEWD may require that the proposed lease contain the language of Section 8.06(B) above.

C. In the event Grantee quits, vacates or surrenders said premises prior to the expiration of the Tenure Period, or elects or becomes unable to continue the use of said leasehold as specified in its Work Program, Grantee shall immediately pay to City the funds as set forth in Section 8.06(C) above.

ARTICLE 9 REPORTING REQUIREMENTS; AUDITS; PENALTIES FOR FALSE CLAIMS

Section 9.01 – Monitoring and Reporting

A. Grantee agrees that MOHCD/OEWD may monitor the progress of the activities performed by Grantee pursuant to this Agreement, and Grantee agrees to comply with any requirements imposed by MOHCD/OEWD to meet performance standards required herein.

B. The goal of MOHCD/OEWD's monitoring shall be to determine the following: actual versus planned achievement of Work Program objectives; Work Program performance, effectiveness, efficiency and workload; ethnic and income composition of Work Program beneficiaries and staff; financial accountability and management; and population characteristics of neighborhood service areas. Monitoring by the City under this Agreement may include, but shall not be limited to: (i) on-site inspections by the City staff or the City's agents; (ii) quarterly performance reviews; (iii) interviews with Grantee's staff members and/or clients of Grantee in the performance of the Work Program; (iv) attendance at events, activities or meetings; and (v) a semi-annual evaluation report. Grantee agrees to comply with all of the City's monitoring requests, and to gather information regarding the work funded hereunder as and when requested by the City. Failure to comply with the City's monitoring requests shall be deemed a material breach of this Agreement, and shall entitle the City to exercise any and all rights and remedies available hereunder, including but not limited to the right to terminate this Agreement.

C. Grantee shall submit reports to MOHCD/OEWD as set forth in the Procedures Manual, with a minimum frequency of once a quarter. Reports must summarize the progress of grant implementation activities undertaken as part of this Agreement and the identifiable results of such activities in accordance with Chapter 5 of the Procedures Manual and in accordance with such other requirements as may be specified by MOHCD/OEWD from time to time and applicable Funding Source regulations. Reports shall also include data and records on the race, sex, and ethnicity of persons receiving employment through activities assisted under this Agreement.

Section 9.02 – Organizational Documents

If requested by City, on or before the date of this Agreement, Grantee shall provide to City the names of its current officers and directors and certified copies of its Articles of Incorporation and Bylaws as well as satisfactory evidence of the valid nonprofit status described in Section 11.01.

Section 9.03 – Notification of Defaults or Changes in Circumstances

Grantee shall notify City immediately of (a) any Event of Default or event that, with the passage of time, would constitute an Event of Default; and (b) any change of circumstances that would cause any of the representations and warranties contained in Article 11 to be false or misleading at any time during the term of this Agreement.

Section 9.04 – Financial Statements

A. Pursuant to San Francisco Administrative Code Section 67.32, Grantee has on or before the date hereof provided to the City financial projections, including profit and loss figures, for the Work Program. For the term of the Agreement, Grantee shall within 30 days after the end of Grantee's fiscal year provide to the City annual financial statements for the Work Program certified by Grantee as complete and accurate and audited by an independent accounting firm. Grantee acknowledges and agrees that the financial projections and audited financial statements shall be public records subject to disclosure upon request.

B. **(Subsection for CDBG, ESG and HOPWA Grants only)** If Grantee cumulatively expends \$750,000.00 or more in federal funds in a year, it must conduct an independent audit and submit a copy of the audit report to MOHCD/OEWD. The audit shall be performed by an independent auditor in accordance with OMB Uniform Guidance requirements in C.F.R. Title 2, Subtitle A, Chapter II, Part 200, Subpart D §200.510, as it may be amended from time to time.

Section 9.05 – Books and Records

A. During the term, and for a period of five (5) years after expiration of the term, Grantee shall create and maintain records that include, but are not limited to, the following information: (i) the specific uses of the Grant Amount and of any other monies used to fund the performance of the Work Program, including records demonstrating that each activity is eligible for reimbursement hereunder; (ii) copies of all invoices, canceled checks, payroll records, attendance records, and any other documentation for costs which have been reimbursed by the Grant Amount, including withholding, social security payments, and other employee/contractor-related payments; (iii) documentation relating to Grantee's tax-exempt status; (iv) Grantee's tax returns and financial statements applicable the term; and (v) financial information as required by the Funding Source, including 24 C.F.R. Part 570.502 for CDBG grants, 24 C.F.R. Part 576.500 for ESG grants and 24 C.F.R. Part 574.530 for HOPWA grants. Without limiting the scope of the foregoing, Grantee shall establish and maintain accurate financial books and accounting records relating to permitted expenses incurred and Grant Amount received and expended under this Agreement. All records shall be maintained in a manner that, in MOHCD/OEWD's reasonable judgment, will provide an effective

system of internal control and will permit timely and effective audits as required by this Agreement, and for federal Funding Sources, all such records shall also be maintained in accordance with OMB Uniform Guidance requirements in 2 C.F.R. Part 200. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever is later.

B. (Subsection for CDBG, ESG and HOPWA Grants only) During the term, and for a period of five (5) years after expiration of the term, Grantee shall also create and maintain records that include the following information: (i) records demonstrating that each activity undertaken meets CDBG, ESG, or HOPWA program-specific requirements; and (ii) financial information as required by 24 C.F.R. Part 570.502. All records shall be maintained in accordance with OMB Uniform Guidance requirements in 2 C.F.R. Part 200 and HUD regulations, as applicable.

Section 9.06 – Inspection and Audit

Grantee shall make available to City, its employees and authorized representatives, during regular business hours all of the files, records, books, invoices, documents, payrolls and other data required to be established and maintained by Grantee under Section 9.05. Grantee shall permit City, its employees and authorized representatives to inspect, audit, examine and make excerpts and transcripts from any of the foregoing. The rights of City pursuant to this Section shall remain in effect so long as Grantee has the obligation to maintain such files, records, books, invoices, documents, payrolls and other data under this Article 9.

Section 9.07 – Submitting False Claims

Grantee shall at all times deal in good faith with the City, shall only submit a Funding Request to the City upon a good faith and honest determination that the funds sought are for eligible expenses under the Grant, and shall only use Grant Funds for payment of eligible expenses as set forth in the Project Budget. Any Grantee who commits any of the following false acts shall be liable to the City for three times the amount of damages the City sustains because of the Grantee's act. A Grantee will be deemed to have submitted a false claim to the City if the Grantee: (a) knowingly presents or causes to be presented to an officer or employee of the City a false Funding Request; (b) knowingly disburses Grants Funds for expenses that are not eligible expenses; (c) knowingly makes, uses, or causes to be made or used a false record or statement to get a false Funding Request paid or approved by the City; (d) conspires to defraud the City by getting a false Funding Request allowed or paid by the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

ARTICLE 10 TAXES

Section 10.01 – Grantee to Pay All Taxes

Grantee shall pay to the appropriate governmental authority, as and when due, any and all taxes, fees, assessments or other governmental charges, including possessory interest taxes and California sales and use taxes, levied upon or in connection with this Agreement, the Work Program, the Grant Funds or any of the activities contemplated by this Agreement.

Section 10.02 – Use of City Real Property

If at any time this Agreement entitles Grantee to the possession, occupancy or use of City real property for private gain, the following provisions shall apply:

- (a) Grantee, on behalf of itself and any subgrantees, successors and assigns, recognizes and understands that this Agreement may create a possessory interest subject to property taxation and Grantee, and any subgrantee, successor or assign, may be subject to the payment of such taxes.
- (b) Grantee, on behalf of itself and any subgrantees, successors and assigns, further recognizes and understands that any assignment permitted hereunder and any exercise of any option to renew or other extension of this Agreement may constitute a change in ownership for purposes of property taxation and therefore may result in a revaluation of any possessory interest created hereunder. Grantee shall report any

assignment or other transfer of any interest in this Agreement or any renewal or extension thereof to the County Assessor within sixty (60) days after such assignment, transfer, renewal or extension.

(c) Grantee shall provide such other information as may be requested by City to enable City to comply with any reporting requirements under applicable law with respect to possessory interests.

Section 10.03 – Withholding

Grantee agrees that it is obligated to pay all amounts due to the City under the San Francisco Business and Tax Regulations Code during the term of this Agreement. Pursuant to Section 6.10-2 of the San Francisco Business and Tax Regulations Code, Grantee further acknowledges and agrees that City may withhold any payments due to Grantee under this Agreement if Grantee is delinquent in the payment of any amount required to be paid to the City under the San Francisco Business and Tax Regulations Code. Any payments withheld under this paragraph shall be made to Grantee, without interest, upon Grantee coming back into compliance with its obligations.

ARTICLE 11 REPRESENTATIONS AND WARRANTIES

Grantee represents and warrants each of the following as of the date of this Agreement and at all times throughout the term of this Agreement:

Section 11.01 – Organization; Authorization

Grantee is a nonprofit grantee, duly organized and validly existing and in good standing under the laws of the jurisdiction in which it was formed. Grantee has established and maintains valid nonprofit status under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, and all rules and regulations promulgated under such section. Grantee has duly authorized by all necessary action the execution, delivery and performance of this Agreement. Grantee has duly executed and delivered this Agreement and this Agreement constitutes a legal, valid and binding obligation of Grantee, enforceable against Grantee in accordance with the terms hereof.

Section 11.02 - Location

Grantee's operations, offices and headquarters are located at the address for notices set forth Section 17.01. All aspects of the Work Program will be implemented at the geographic location(s), if any, specified in the Work Program.

Section 11.03 – No Misstatements

No document furnished or to be furnished by Grantee to City in connection with this Agreement, any funding request or any other document relating to any of the foregoing, contains or will contain any untrue statement of material fact or omits or will omit a material fact necessary to make the statements contained therein not misleading, under the circumstances under which any such statement shall have been made.

Section 11.04 – Conflict of Interest

A. Through execution of this Agreement, Grantee acknowledges that it is familiar with the provisions of Section 15.103 of the City's Charter, Article III, Chapter 2 of the City's Campaign and Governmental Conduct Code, and Sections 87100 et seq. and Sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that it will immediately notify City if it becomes aware of any such fact during the term of this Agreement.

1. Incorporation of the California Political Reform Act – No officer or employee of the City and County shall make, participate in making, or seek to influence a decision of the City and County in which the officer or employee has a financial interest within the meaning of California Government Code Section 87100 et seq. and any subsequent amendments to these Sections.

2. Incorporation of California Government Code 1090, et seq. – No officer or employee of the City and County shall make a contract in which he or she has a financial interest within the meaning of California Government Code Section 1090 et seq. and any subsequent amendments to these Sections.

3. Future Employment – No officer or employee of the City shall make, participate in making, or otherwise seek to influence a governmental decision, affecting a person or entity with whom the officer or employee is discussing or negotiating an agreement concerning future employment.

B. Not more than one member of an immediate family serves or will serve as an officer, director or employee of Grantee, without prior written consent of City. For purposes of this subsection, “immediate family” shall include husband, wife, domestic partner, brothers, sisters, children and parents (both legal parents and stepparents). If Grantee has any doubt as to its compliance with this requirement, it shall submit a written request to MOHCD/OEWD for clarification and advice as to the proper course of action to be taken. Where noncompliance is found, MOHCD/OEWD shall have the right, upon discovering such noncompliance, to order Grantee to dismiss one or as many of its employees as are required to restore compliance with this requirement.

C. **(Subsection for CDBG, ESG and HOPWA Grants only)** In accordance with the OMB conflict of interest provision set forth in Uniform Guidance requirements in C.F.R. Title 2, Subtitle A, Chapter II, Part 200, Subpart D §200.318, Grantee shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of Grantee shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to subagreements. However, Grantee may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipient.

D. **(Subsection for CDBG, ESG and HOPWA Grants only)** This subsection incorporates the conflict of interest provisions of the CDBG regulations (24 CFR 570.611), the ESG regulations (24 CFR 576.404) and the HOPWA regulations (24 CFR 574.625) for the acquisition and disposition of real property and the provision of assistance by Grantee or subgrantees to individuals, businesses, and other entities under eligible activities.

1. No persons who (a) is an employee, agent, consultant, officer, or elected official or appointed official of City (including MOHCD/OEWD and the Citizens’ Committee on Community Development), or of any designated public agencies, or of Grantee that is receiving CDBG/ESG/HOPWA funds and (b) exercises or has exercised any functions or responsibilities with respect to CDBG/ESG/HOPWA activities assisted under this part, 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 financial interest or benefit from a CDBG/ESG/HOPWA-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG/ESG/HOPWA-assisted activity, or with respect to the proceeds of the CDBG/ESG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter.

2. In order to carry out the purposes of this Section, Grantee shall incorporate, or cause to be incorporated, in all contracts, subcontracts and agreements relating to activities assisted under this Agreement, a provision similar to that of this Section. Grantee shall be responsible for obtaining compliance with such provisions by the parties with whom it contracts and, in the event of a breach, shall take prompt and diligent action to cause the breach to be remedied and compliance to be restored.

3. Upon written request of Grantee, HUD may grant an exception to the provisions of this subsection D on a case-by case basis when Grantee has satisfactorily met the threshold requirements, which include (i) a disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and (ii) an opinion of the City Attorney that the interest for which the exception is sought would not violate State or local law. In determining whether to grant a requested exception that has satisfactorily met the requirements, HUD shall conclude that such an exception will serve to further the purposes of the CDBG/ESG/HOPWA program and the effective and efficient administration of the Grantee’s program or project, taking into account the cumulative effect of the following factors, as applicable:

a. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project that would otherwise not be available;

- b. Whether an opportunity was provided for open competitive bidding or negotiation;
- c. Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
- d. Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted activity in question;
- e. Whether the interest or benefit was present before the affected person was in a position as described in paragraph (1) of this Section 11.04 (D);
- f. Whether undue hardship will result either to Grantee or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
- g. Any other relevant considerations.

E. No member of the board of directors, governing officer or employee of Grantee who exercises any functions or responsibilities in connection with the planning or carrying out of the MOHCD/OEWD Program during his/her tenure or for one year thereafter, shall have any personal financial interest, direct or indirect, in any contract or subcontract, or the proceeds thereof for work to be performed in connection with the programs assisted under this Agreement. The prohibition contained in this Section shall prevent, among other things, any officer or board member or employee, during his/her tenure and for one year thereafter, from assuming a position, within or outside Grantee, funded directly or indirectly with MOHCD/OEWD funds. Furthermore, no individual employee of Grantee, including the executive director, shall be a member of the Board of Directors of Grantee during his or her employment and for one year thereafter; provided, nothing herein shall prevent any employee from attending Board of Directors meetings. Grantee shall take appropriate steps to assure compliance with this Section. Grantee agrees that it shall incorporate into every contract required to be in writing the following provision:

"Interest of Contractor and Employees – The Contractor covenants that no person, including but not limited to, an officer or board member or employee of Grantee, who presently exercises any functions or responsibilities in connection with the MOHCD/OEWD Program, shall have any personal financial interest, direct or indirect, in this Contract or current City/Grantee Agreement. The Contractor further covenants that he/she presently has no interest and shall not acquire any interest, direct or indirect, in the immediate neighborhood or any parcels therein, which would affect or conflict in any manner or degree with the performance of his/her services hereunder. The Contractor further covenants that, in the performance of this contract, no person having any conflicting interest shall be employed. It shall be the responsibility of the Contractor to make all reasonable and lawful efforts and inquiries in determining if any employee or prospective employee has any conflicting interest. Any interest or possible interest of the Contractor or his/her employees must be disclosed to Grantee and to the Mayor's Office of Housing and Community Development/Office of Economic and Workforce Development."

Provided, however, that this paragraph shall be interpreted in such a manner so as not to unreasonably impede the statutory requirement that maximum opportunity be provided for employment of or participation by residents of the area.

F. By executing this Agreement, Grantee represents that it has distributed a copy of the above conflict of interest provisions to each of Grantee's board members and employees, and agrees to distribute such provisions to each new board member and employee during the term, and Grantee has or will instruct each such board member or employee to verify the absence of any actual or potential conflict.

Section 11.05 – Grantee's Board of Directors

Grantee shall at all times be governed by a legally constituted and fiscally responsible board of directors. Membership on Grantee's board of directors should have an adequate representation of different neighborhood and interest groups in the immediate neighborhood, particularly low and moderate-income persons for which services are being provided. Such board of directors shall meet regularly and maintain appropriate membership, as established in Grantee's bylaws and other governing documents and shall adhere to applicable provisions of federal,

state and local laws governing nonprofit corporations. A list of the current members of Grantee's board of directors and officers has been provided to City, and, in the event of any changes, Grantee shall promptly provide to City any update to such list of current directors and officers. Grantee's board of directors shall exercise such oversight responsibility with regard to this Agreement as is necessary to ensure full and prompt performance by Grantee of its obligations under this Agreement.

Section 11.06 – No Other Agreements with City

Except as expressly itemized in Appendix B, neither Grantee nor any of Grantee's affiliates, officers, directors or employees has any interest, however remote, in any other agreement with City, including any commission, department or other subdivision thereof.

Section 11.07 – Subcontracts

Except as may be permitted hereunder and approved by MOHCD/OEWD, Grantee has not entered into any agreement, arrangement or understanding with any other person or entity pursuant to which such person or entity will implement or assist in implementing all or any portion of the Work Program.

Section 11.08 – Eligibility to Receive Federal Funds

By executing this Agreement, Grantee certifies that Grantee is not suspended, debarred or otherwise excluded from participation in federal assistance programs. Grantee acknowledges that this certification of eligibility to receive federal funds is a material term of the Agreement.

ARTICLE 12 INDEMNIFICATION AND GENERAL LIABILITY

Section 12.01 – Indemnification

Grantee shall indemnify, protect, defend and hold harmless each of the Indemnified Parties from and against any and all Losses arising from, in connection with or caused by: (a) a material breach of this Agreement by Grantee; (b) a material breach of any representation or warranty of Grantee contained in this Agreement; (c) any personal injury caused, directly or indirectly, by any act or omission of Grantee or its employees, subgrantees or agents; (d) any property damage caused, directly or indirectly by any act or omission of Grantee or its employees, subgrantees or agents; (e) the use, misuse or failure of any equipment or facility used by Grantee, or by any of its employees, subgrantees or agents, regardless of whether such equipment or facility is furnished, rented or loaned to Grantee by an Indemnified Party; (f) any tax, fee, assessment or other charge for which Grantee is responsible under Article 10; or (g) any infringement of patent rights, copyright, trade secret or any other proprietary right or trademark of any person or entity in consequence of the use by any Indemnified Party of any goods or services furnished to such Indemnified Party in connection with this Agreement. Grantee's obligations under the immediately preceding sentence shall apply to any Loss that is caused in whole or in part by the active or passive negligence of any Indemnified Party, but shall exclude any Loss caused solely by the willful misconduct of the Indemnified Party. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

As a material part of the consideration for this Agreement, Grantee fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action against, and covenants not to sue, the City, its departments, commissions, officers, directors and employees, and all persons acting by, through or under each of them, under any present or future laws, statutes, or regulations, arising out of any acts, omissions, or matters relating to this Agreement, including but not limited to any exercise of the City of its right to suspend or terminate this Agreement. In connection with the foregoing release, Grantee acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Grantee acknowledges that the release contained herein includes all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Grantee realizes and acknowledges that it has entered into

this Agreement in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The releases and indemnifications contained herein shall survive any termination of this Agreement.

Section 12.02 – Duty to Defend; Notice of Loss

Grantee acknowledges and agrees that its obligation to defend the Indemnified Parties under Section 12.01: (a) is an immediate obligation, independent of its other obligations hereunder; (b) applies to any Loss which actually or potentially falls within the scope of Section 12.01, regardless of whether the allegations asserted in connection with such Loss are or may be groundless, false or fraudulent; and (c) arises at the time the Loss is tendered to Grantee by the Indemnified Party and continues at all times thereafter. The Indemnified Party shall give Grantee prompt notice of any Loss under Section 12.01 and Grantee shall have the right to defend, settle and compromise any such Loss; provided, however, that the Indemnified Party shall have the right to retain its own counsel at the expense of Grantee if representation of such Indemnified Party by the counsel retained by Grantee would be inappropriate due to conflicts of interest between such Indemnified Party and Grantee. An Indemnified Party's failure to notify Grantee promptly of any Loss shall not relieve Grantee of any liability to such Indemnified Party pursuant to Section 12.01, unless such failure materially impairs Grantee's ability to defend such Loss. Grantee shall seek the Indemnified Party's prior written consent to settle or compromise any Loss if Grantee contends that such Indemnified Party shares in liability with respect thereto.

Section 12.03 – Incidental and Consequential Damages

Losses covered under this Article 12 shall include any and all incidental and consequential damages resulting in whole or in part from Grantee's acts or omissions. Nothing in this Agreement shall constitute a waiver or limitation of any rights that any Indemnified Party may have under applicable law with respect to such damages.

Section 12.04 – Limitation on Liability of City

CITY'S OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE AGGREGATE AMOUNT OF GRANT FUNDS ACTUALLY DISBURSED HEREUNDER. NOTWITHSTANDING ANY OTHER PROVISION CONTAINED IN THIS AGREEMENT, THE APPLICATION DOCUMENTS OR ANY OTHER DOCUMENT OR COMMUNICATION RELATING TO THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, THE GRANT FUNDS, THE WORK PROGRAM OR ANY ACTIVITIES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

ARTICLE 13 INSURANCE AND BONDING

Section 13.01 – Types and Amounts of Coverage

Without limiting Grantee's liability pursuant to Article 12, Grantee shall maintain in force, during the full term of this Agreement, insurance in the following amounts and coverages:

- (a) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than one million dollars (\$1,000,000) each accident, injury, or illness. If Grantee is expected to perform services on City premises the Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Grantee, its employees, agents and subcontractors.
- (b) Commercial General Liability Insurance with limits not less than one million dollars (\$1,000,000) each occurrence and two million dollars (\$2,000,000) general aggregate for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations, and if the Grantee will provide services for vulnerable clients, such as minors or the elderly, such policy must include Abuse and Molestation coverage.
- (c) Commercial Automobile Liability Insurance with limits not less than one million dollars (\$1,000,000) each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

(d) **(If professionals are used as part of the Agreement)** Professional Liability Insurance for negligent acts, errors or omission with respect to professional or technical services, if any, required in the performance of this Agreement with limits not less than one million dollars (\$1,000,000) each claim.

(e) **(If Grant Funds are used for the purchase or improvement of real property)** Property Insurance covering all real property constructed, improved, rehabilitated or purchased in whole or in part with Grant Funds, in form appropriate for the nature of such property, covering all risks of loss, excluding earthquake and flood, for 100% of the reconstruction value (brought up to current codes), with deductible, if any, acceptable to the City, and naming the City as loss payee, as its interest may appear, except that if Grantee leases the real property that is constructed, improved or rehabilitated with Grant Funds, such coverage with respect to the leased property may be provided by the owner or landlord. Grantee shall maintain the property insurance during the full term of this Agreement and the Tenure Period, as described in Section 3.03.

Section 13.02 – Additional Requirements for General and Automobile Coverage

Commercial General Liability and Commercial Automobile Liability insurance policies shall:

- (a) Name as additional insured City and its officers, agents and employees.
- (b) Provide that such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to limits of liability.

Section 13.03 – Additional Requirements for All Policies

All insurance policies required to be maintained by Grantee shall be endorsed to provide thirty (30) days' prior written notice of cancellation for any reason, reduction in coverage, or intended nonrenewal to Grantee and City. Notice to City shall be mailed to the address(es) for City pursuant to Article 17. Grantee's compliance with the insurance requirements hereunder shall in no way reduce, affect or relieve Grantee's indemnification and other obligations hereunder.

In the event Grantee engages in activities not covered by the above insurance, Grantee shall procure whatever additional insurance necessary or appropriate to cover such risks. Acquisition of such insurance does not, however, assure the City's approval of such new activities.

Section 13.04 – Required Post-Expiration Coverage

Should any of the insurance required hereunder be provided under a claims-made form, Grantee shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three (3) years beyond the expiration or termination of this Agreement, to the effect that, should occurrences during the term hereof give rise to claims made after expiration or termination of the Agreement, such claims shall be covered by such claims-made policies.

Section 13.05 – General Annual Aggregate Limit/Inclusion of Claims Investigation or Legal Defense Costs

Should any of the insurance required hereunder be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

Section 13.06 – Evidence of Insurance

Before commencing any operations under this Agreement, Grantee shall furnish to City certificates of insurance and additional insured policy endorsements in form and with insurers acceptable to the City, evidencing all coverages set forth above, and shall furnish complete copies of policies promptly upon City's request. Before commencing any operations under this Agreement, Grantee shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Failure to maintain insurance shall constitute a material breach of this Agreement.

Section 13.07 – Effect of Approval

Approval of any insurance by City shall not relieve or decrease the liability of Grantee hereunder.

Section 13.08 – Insurance for Subcontractors and Evidence of this Insurance

If a subcontractor will be used to complete any portion of this Agreement, Grantee shall ensure that the subcontractor shall provide all necessary insurance and shall name the City and County of San Francisco, its officers, agents, and employees and Grantee as additional insureds.

Section 13.09 – Bonding for Construction Contracts

Prior to the release of any of the Grant Funds for the construction or improvement of facilities, Grantee must enter into a contract with a contractor wherein Grantee shall explicitly retain an amount equal to or greater than 10% (as determined by mutual agreement between Grantee and MOHCD/OEWD) of the total construction cost until completion of the entire contract, and each progress payment during construction shall retain the required percentage of the cost of the work covered by that payment. The final payment to the contractor shall be made only following MOHCD/OEWD written approval, which approval may be withheld pending recordation of a valid notice of completion, receipt of an architect's certification of substantial completion, receipt of appropriate lien waivers or releases, and such additional reasonable requirements as MOHCD/OEWD may determine. Prior to the release of any of the Grant Funds for the construction or improvement of facilities expected to cost between \$20,000 and \$100,000, the City may require Grantee or contractor to post a performance bond and a labor and material payment bond, in a form approved by the City, in amounts not less than 100% of the contract price for the work. For all contracts exceeding \$100,000, the contractor must provide a performance bond and a labor and material payment bond equal to 100% of the contract price for the work.

Section 13.10 – Construction Contractor's Insurance

A. Grantee must require that the construction contractor maintain, throughout the term of the construction contract, insurance as follows:

1. Workers' Compensation Insurance at statutory limits, including coverage for Employers' Liability, with limits not less than one million dollars (\$1,000,000) each accident, injury, or illness. If Grantee is expected to perform services on City premises the Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Grantee, its employees, agents and subcontractors; and
2. Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence and \$2,000,000 general aggregate for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and
3. Commercial Automobile Liability Insurance with limits not less than one million dollars (\$1,000,000) each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable; and
4. Builder's All Risk Insurance for loss or damage to the work in progress for the amount of the contract.

B. Each contractor shall furnish Grantee with certificates of insurance and additional insured policy endorsements from insurers in a form acceptable to the City for the above coverage prior to the commencement of any work, and Grantee shall verify that the above insurance requirements are maintained throughout the term of the construction contract and during all construction. Each insurance policy shall name the City and its Agents as an additional insured. Upon request, Grantee shall furnish copies of such certificates of insurance and endorsements to the City. In the event the above insurance is not maintained for any reason, Grantee shall immediately cease all construction activities on the Work Program until such time as the required insurance is resumed. To the extent that any insurance proceeds are not used to rebuild the Work Program, any such proceeds shall be paid to the City to the extent of funds disbursed to Grantee under this Agreement.

Section 13.11 – Professional Liability Insurance for Construction Contracts

A. Grantee shall require, throughout the term of any contract for professional services, or, if professional services are donated, throughout the term of the construction contract to which said professional services are devoted, that such professional services contractor maintain insurance as follows:

Professional liability insurance for negligent acts, errors or omission with respect to professional or technical services, if any, required in the performance of this Agreement with limits not less than one million dollars (\$1,000,000) each claim

B. Grantee shall verify that such insurance is maintained as set forth above, and upon request, shall furnish to the City a copy of the certificate of insurance. In the event that such insurance is not maintained, Grantee shall terminate the applicable contract until such time as the required insurance is obtained or shall retain the services of some other professional service contractor that has or will obtain the requisite insurance.

ARTICLE 14 EVENTS OF DEFAULT AND REMEDIES

Section 14.01 – Events of Default

The occurrence of any one or more of the following events shall constitute an “Event of Default” under this Agreement:

- (a) **False Statement** – Any statement, representation or warranty contained in this Agreement, in the Application Documents or in any other document submitted to City under this Agreement is found by City to be false or misleading.
- (b) **Failure to Provide Insurance** – Grantee fails to provide or maintain in effect any policy of insurance required in Article 13.
- (c) **Failure to Comply with Applicable Laws** – Grantee fails to perform or breaches any of the terms or provisions of Article 18.
- (d) **Failure to Perform Other Covenants** – Grantee fails to perform or breaches any other agreement or covenant of this Agreement to be performed or observed by Grantee as and when performance or observance is due and such failure or breach continues for a period of ten (10) days after the date on which such performance or observance is due.
- (e) **Cross Default** – Grantee defaults under any other agreement between Grantee and City (after expiration of any grace period expressly stated in such agreement), including but not limited to a HOPWA Loan.
- (f) **Voluntary Insolvency** – Grantee (i) is generally not paying its debts as they become due, (ii) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Grantee or of any substantial part of Grantee's property or (v) takes action for the purpose of any of the foregoing.
- (g) **Involuntary Insolvency** – Without consent by Grantee, a court or government authority enters an order, and such order is not vacated within ten (10) days, (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Grantee or with respect to any substantial part of Grantee's property, (ii) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of Grantee.
- (h) **Failure to Comply with Reporting Requirements** – Grantee fails to comply with the reporting requirements required herein or the submission to the City of reports which are incorrect,

incomplete and/or misleading in any material respect, or fails to keep accurate records as required under this Agreement, as determined by MOHCD/OEWD in its sole discretion.

(i) **Failure to Implement and Maintain Fiscal Control Requirements** – Grantee shall take all necessary steps to ensure proper fiscal control over the Grant Funds and to ensure that the Grant Funds are properly used in furtherance of the Work Program and for no other purposes. Without limiting the foregoing, Grantee shall require not less than two authorized signatures from officers and/or board members of Grantee, (i) on each funding request, and (ii) before making any payment in excess of \$5,000 using the Grant Funds or where Grantee intends to request reimbursement with the Grant Funds. MOHCD/OEWD shall have the right to review and suggest improvements to Grantee's fiscal control mechanisms or procedures, and Grantee's inability to provide proper fiscal control or Grantee's refusal or inability to accept and implement additional fiscal controls mandated by MOHCD/OEWD, the City, or the Funding Source shall be a material breach of this Agreement. MOHCD/OEWD may suspend or terminate payments to Grantee hereunder pursuant to this Article 14 upon MOHCD/OEWD's determination of mismanagement by Grantee.

(j) **Impracticability or Unfeasibility of Carrying out the Agreement** – Grantee does not demonstrate capacity to implement this Agreement.

(k) **Failure to Accept Additional Conditions** – Grantee is unable or unwilling to accept any additional conditions that may be provided by law, by executive order, by regulations, or by any policy announced by the Funding Source or MOHCD/OEWD at any time.

(l) **Failure to Fulfill Work Program Goals** – Grantee fails to fulfill the goals and requirements set forth in the Work Program, or to cooperate with MOHCD/OEWD's monitoring requirements, or to use the Grant Funds as required under this Agreement, or any other unsatisfactory performance of this Agreement as determined by MOHCD/OEWD in its sole discretion.

(m) **Failure to Maintain Licenses or Governmental Approvals** – Grantee loses or fails to maintain any license(s) or governmental approval(s) required for the lawful operation or performance of all or part of the activities funded by this Agreement.

(n) **Suspension or Debarment by Governmental Agency** – Grantee is suspended, disciplined or debarred by the U.S. General Services Administration or any other governmental agency.

(o) **Conflict of Interest** – Grantee breaches or violates the conflict of interest provisions set forth herein.

Grantee shall notify MOHCD/OEWD immediately upon the occurrence of any activity, notice or event that falls within the items listed above, with the reasons therefore together with any relevant facts or information requested by MOHCD/OEWD.

Section 14.02 – Remedies Upon Event of Default

Upon and during the continuance of an Event of Default, City may do any of the following, individually or in combination with any other remedy:

(a) **Suspension and Probation** – City may immediately suspend this Agreement or put this Agreement on probation at any time for any of the above reasons, with or without notice to Grantee and without any liability therefore. In the event the City puts this Agreement on probation, the City shall continue to make disbursements under this Agreement for a period of up to six (6) months for Grantee to rectify performance deficiencies or violations to the satisfaction of the City. Following and/or during this probation, the City may elect to suspend or terminate this Agreement as provided below. In the event the City suspends this Agreement, the City shall not be obligated to make any further disbursements under this Agreement unless and until the City decides to reinstate this Agreement and any prior violation has been remedied to the satisfaction of the City. Any Grant Funds withheld pursuant to this Section and subsequently disbursed to Grantee after cure of applicable Events of Default shall be disbursed without interest. Following such suspension, the City may elect to terminate this Agreement as provided below.

(b) **Termination** – City may terminate this Agreement by notifying Grantee in writing of the City’s intent to terminate the Agreement, specify the reasons(s), and furnish a description of corrective actions (if any) to be taken by Grantee. Grantee shall have five (5) working days in which to respond to such a letter of intent. If Grantee does not reply to the letter of intent or effectuate the requested corrective measures to the satisfaction of the City within such five- (5) working day period, the City may terminate the Agreement, in its sole discretion and without liability therefore, by giving written notice to Grantee of such termination. Any termination shall be effective as of the date of such notice. Grantee will be paid for eligible expenses that was submitted and approved by City prior to the date of termination specified in such notice. The City need not give such letter of intent if the termination is for a performance problem or other matter not reasonably susceptible to a cure within such five (5) day period. Upon termination of this Agreement, Grantee shall, without limiting any of the City’s rights or remedies, immediately refund to the City all unexpended and improperly expended funds disbursed to Grantee under this Agreement, and any assets and any interests of any type and in any form acquired, leased, or rehabilitated with MOHCD/OEWD monies. Grantee shall execute any documents or instruments reasonably requested by the City to effectuate such transfer.

(c) **Withholding of Grant Funds** – City may withhold all or any portion of Grant Amount not yet disbursed hereunder, regardless of whether Grantee has previously submitted a funding request or whether City has approved the disbursement of the Grant Amount requested in any funding request. Any Grant Amount withheld pursuant to this Section and subsequently disbursed to Grantee after cure of applicable Events of Default, if granted by the City in its sole discretion, shall be disbursed without interest.

(d) **Offset** – City may offset against all or any portion of undisbursed Grant Funds hereunder or against any payments due to Grantee under any other agreement between Grantee and City the amount of any outstanding Loss incurred by any Indemnified Party, including any Loss incurred as a result of the Event of Default.

(e) **Return of Grant Funds** – City may demand the immediate return of any previously disbursed Grant Funds that have been claimed or expended by Grantee in breach of the terms of this Agreement, together with interest thereon from the date of disbursement at the maximum rate permitted under applicable law, and any Work Product.

(f) **Refuse to Consider Future Grantee Applications** – City may refuse to consider any future application for grants or agreements from Grantee or its affiliates upon the occurrence of any of the above events until such time as the breach or problem has been remedied or satisfied to the City’s satisfaction, in its sole discretion.

Section 14.03 – Remedies Nonexclusive

Each of the remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The remedies contained herein are in addition to all other remedies available to City at law or in equity by statute or otherwise and the exercise of any such remedy shall not preclude or in any way be deemed to waive any other remedy.

Section 14.04 – Termination for Convenience

City shall have the option, in its sole discretion, to terminate this Agreement at any time for convenience and without cause. City shall exercise this option by giving Grantee written notice that specifies the effective date of termination. Upon receipt of the notice of termination, Grantee shall undertake with diligence all necessary actions to effect the termination of this Agreement on the date specified by City and minimize the liability of Grantee and City to third parties. Such actions shall include, without limitation:

(a) Halting the performance of all work under this Agreement on the date(s) and in the manner specified by City;

(b) Terminating all existing orders and subcontracts, and not placing any further orders or subcontracts for materials, services, equipment or other items; and

(c) Completing performance of any work that City designates to be completed prior to the date of termination specified by City.

In no event shall City be liable for costs incurred by Grantee or any of its subcontractors after the termination date specified by City, except for those costs incurred at the request of City pursuant to this section.

ARTICLE 15 DISCLOSURE OF INFORMATION AND DOCUMENTS

Section 15.01 – Proprietary or Confidential Information of City

Grantee understands and acknowledges that, in the performance of this Agreement or in contemplation thereof, Grantee may have access to private or confidential information that may be owned or controlled by City and that such information may contain proprietary or confidential information, the disclosure of which to third parties may be damaging to City. Grantee agrees that all information disclosed by City to Grantee shall be held in confidence and used only in the performance of this Agreement. Grantee shall exercise the same standard of care to protect such information as a reasonably prudent nonprofit entity would use to protect its own proprietary or confidential data.

Section 15.02 – Public Disclosure

A. Grantee acknowledges and agrees that under the City’s Sunshine Ordinance (San Francisco Administrative Code, Chapter 67) and the State Public Records Law (California Government Code Section 6250 et seq.), this Agreement and any and all records, information, and materials submitted to the City hereunder are public records subject to public disclosure. Contracts, including this Agreement, Grantee’s bids, responses to Requests for Proposals (RFPs) and all other records of communications between City and persons or entities seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in such Section 67.24(e) (as it exists on the date hereof) requires the disclosure of a private person’s or organization’s net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. All information provided by Grantee that is covered by such Section 67.24(e) (as it may be amended from time to time) will be made available to the public upon request.

B. If Grantee receives a cumulative total per year of at least \$250,000 in City funds or City-administered funds and is a non-profit organizations as defined in Chapter 12L of the San Francisco Administrative Code, Grantee shall comply with and be bound by all the applicable provisions of Chapter 12L of the San Francisco Administrative Code. By executing this Agreement, Grantee agrees to open its meetings and records to the public in the manner set forth in Sections 12L.4 and 12L.5 of the San Francisco Administrative Code. Grantee further agrees to make good-faith efforts to promote community membership on its Board of Directors in the manner set forth in Section 12L.6 of the Administrative Code. Grantee acknowledges that its failure to comply with any of the provisions of this Section shall constitute a material breach of this Agreement. Grantee further acknowledges that such material breach of this Agreement shall be grounds for the City to terminate and/or not renew this Agreement, partially or in its entirety.

C. In accordance with the Citizen’s Right to Know Act of 1998 (Chapter 79 of the San Francisco Administrative Code), no officer, department, board or commission of the City shall approve a City Work Program, as defined in Chapter 79, unless a sign has been posted on the applicable property at least fifteen (15) days prior to such approval. A City Work Program is a project that involves new construction, a change in use or a significant expansion of an existing use where the City Funding for such project is \$50,000 or more. If the Grant Amount will be used for a City Work Program, this Agreement will not become effective until fifteen (15) days following the posting of the requisite sign (the “Sign Date”) under Chapter 79, and the City shall have the right to nullify or revoke this Agreement, without cost or liability of any sort whatsoever, at any time prior to the Sign Date. If Grantee believes that this Agreement relates to a City Work Program and that the requisite sign has not been posted, Grantee shall notify the City so that the City may determine the applicability of Chapter 79, and, if necessary, post the requisite sign.

ARTICLE 16

INDEPENDENT CONTRACTOR STATUS

Section 16.01 – Nature of Agreement

Grantee shall be deemed at all times to be an independent contractor and is solely responsible for the manner in which Grantee implements the Work Program and uses the Grant Funds. Grantee shall at all times remain solely liable for the acts and omissions of Grantee, its officers and directors, employees and agents. Nothing in this Agreement shall be construed as creating a partnership, joint venture, employment or agency relationship between City and Grantee. Grantee is not a state or governmental actor with respect to any activity conducted by Grantee hereunder. This Agreement does not constitute authorization or approval by the City of any activity conducted by Grantee.

Nothing contained in this Agreement shall create or justify any claim against the City or Grantee by any third person with whom Grantee may have contracted or may contract relative to the furnishing or performance of any work, materials, equipment or services relating to the Work Program or with respect to any other projects being undertaken by Grantee or the City. The provisions of this Agreement are not intended to benefit any third party, and no third party may rely hereon.

Section 16.02 – Direction

Any terms in this Agreement referring to direction or instruction from MOHCD/OEWD or City shall be construed as providing for direction as to policy and the result of Grantee's work only, and not as to the means by which such a result is obtained.

Section 16.03 – Consequences of Recharacterization

A. Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Grantee is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Grantee which can be applied against this liability). City shall subsequently forward such amounts to the relevant taxing authority.

B. Should a relevant taxing authority determine a liability for past services performed by Grantee for City, upon notification of such fact by City, Grantee shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Grantee under this Agreement (again, offsetting any amounts already paid by Grantee which can be applied as a credit against such liability).

C. A determination of employment status pursuant to either subsection A or B of this Section 16.03 shall be solely for the purposes of the particular tax in question, and for all other purposes of this Agreement, Grantee shall not be considered an employee of City. Notwithstanding the foregoing, if any court, arbitrator or administrative authority determines that Grantee is an employee for any other purpose, Grantee agrees to a reduction in City's financial liability hereunder such that the aggregate amount of Grant Funds under this Agreement does not exceed what would have been the amount of such Grant Funds had the court, arbitrator or administrative authority had not determined that Grantee was an employee.

ARTICLE 17

NOTICES AND OTHER COMMUNICATIONS

Section 17.01 – Requirements

Unless otherwise specifically provided herein, all notices, consents, directions, approvals, instructions, requests and other communications hereunder shall be in writing, shall be addressed to the person and address set forth below and shall be (a) deposited in the U.S. mail, first class, certified with return receipt requested and with appropriate postage, (b) hand delivered or (c) sent via e-mail (if an e-mail address is provided below):

If to MOHCD/OEWD or City:

Mayor's Office of Housing and
Community Development
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Attn: Director
Email:

Or Office of Economic and Workforce Development
City Hall, Room 448
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
Attn: Director
Email:

If to Grantee:

Catholic Charities CYO of the Archdiocese of San Francisco
990 Eddy Street
San Francisco, CA 94109
Email:
Attn: Jilma L. Meneses

Any notice of default must be sent by registered mail or personal delivery.

17.02 – Effective Date

All communications sent in accordance with Section 17.01 shall become effective on the date of receipt. Such date of receipt shall be determined by: (a) if mailed, the return receipt, completed by the U.S. postal service; (b) if sent via hand delivery, a receipt executed by a duly authorized agent of the party to whom the notice was sent; or (c) if sent via e-mail, the date of confirmation of receipt by a duly authorized agent of the party to whom the notice was sent or, if such confirmation is not reasonably practicable, the date indicated in the e-mail of the party giving such notice.

Section 17.03 – Change of Address

Any party hereto may designate a new address for purposes of this Article 17 by notice to the other party.

**ARTICLE 18
COMPLIANCE**

Section 18.01 – Nondiscrimination; Equal Benefits; and Penalties.

A. **Grantee Shall Not Discriminate** – In the performance of this Agreement, Grantee agrees not to discriminate against any employee, City and County employee working with such grantee or subgrantee, applicant for employment with such grantee or subgrantee, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

B. **Subcontracts** – Grantee shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Grantee's failure to comply with any of the obligations in this subsection shall constitute a material breach of this Agreement.

C. **Non-Discrimination in Benefits** – Grantee does not as of the date of this Agreement and will not during the Term of this Agreement, in any of its operations in San Francisco or where work is being performed for City elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

D. Condition to Contract – As a condition to this Agreement, Grantee shall execute the “Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits” form (Form CMD-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Contract Monitoring Division.

E. Incorporation of Administrative Code Provisions by Reference – The provisions of Chapters 12B, and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting with the City and County of San Francisco, are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Grantee shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters of the Administrative Code, including the remedies provided in such Chapters. Without limiting the foregoing, Grantee understands that pursuant to Section 12B.2(h) and 12C.3(g) of the San Francisco Administrative Code, a penalty of fifty dollars (\$50) for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Grantee and/or deducted from any payments due Grantee. Grantee's failure to comply with any of the obligations in this paragraph shall constitute a material breach of this Agreement.

F. **(Subsection F is for CDBG, ESG and HOPWA Grants only)** Federal Requirement – In the Work Program and all contracts and subcontracts relating thereto, Grantee agrees to comply with the following laws and statutes relating to nondiscrimination: Titles VI and VII of the Civil Rights Act of 1964 (Pub. L. 88-352), Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284), Section 109 of the Housing and Community Development Act of 1974 (24 U.S.C. Section 5409), and Executive Order 11246, as amended by Executive Order 11375 and supplemented by Department of Labor regulations (41 C.F.R. Part 60) regarding equal employment opportunity.

1. Grantee agrees to post in conspicuous places available to employees and applicants for employment, to place in all solicitations or advertisements for employment, and to send to each labor union or representative of its employees, notices setting forth Grantee's nondiscriminatory practices as required hereunder.
2. Grantee shall allow MOHCD/OEWD and the Funding Source access to all of its books and records to ascertain compliance with this Section. In the event of Grantee's noncompliance with the nondiscrimination provisions of this Agreement, this Agreement may be canceled, terminated or suspended in whole or in part and Grantee may be declared ineligible for further government contracts.
3. Grantee shall include these nondiscrimination provisions in every subcontract or purchase order unless exempted by Executive Order 11246 so that this Section will be binding on each subcontractor or vendor. Grantee shall take such action with respect to the subcontractor or purchase order as MOHCD/OEWD and/or the Funding Source may direct to enforce such provisions, including sanctions.
4. Grantee certifies that it does not maintain nor provide for its employees any segregated facilities, and it does not permit its employees to perform services at any location where segregated facilities are maintained. As used herein, the term “segregated facilities” means any areas, which are segregated on the basis of race, creed, color or natural origin, because of habit, local custom or otherwise.

G. **(Subsection G is for HRP Grants only)** State Requirement – In the Work Program and all contracts and subcontracts relating thereto Grantee shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Grantee and subgrantees shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and subgrantees shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Grantee and its subgrantees shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement. Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

Section 18.02 – MacBride Principles-Northern Ireland

Pursuant to San Francisco Administrative Code Section 12F.5, City urges companies doing business in Northern Ireland to move towards resolving employment inequities and encourages such companies to abide by the MacBride Principles. City urges San Francisco companies to do business with grantees that abide by the MacBride Principles. By signing below, the person executing this Agreement on behalf of Grantee acknowledges and agrees that he or she has read and understood this Section.

Section 18.03 – Tropical Hardwood and Virgin Redwood Ban

Pursuant to Section 804(b) of the San Francisco Environment Code, City urges all grantees not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

Section 18.04 – Drug-Free Workplace Policy

Grantee acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on City premises. Grantee and its employees, agents or assigns shall comply with all terms and provisions of such Act and the rules and regulations promulgated thereunder.

Section 18.05 – Resource Conservation; Liquidated Damages

Chapter 5 of the San Francisco Environment Code (Resource Conservation) is incorporated herein by reference. Failure by Grantee to comply with any of the applicable requirements of Chapter 5 will be deemed a material breach of contract. If Grantee fails to comply in good faith with any of the provisions of Chapter 5, Grantee shall be liable for liquidated damages in an amount equal to Grantee's net profit under this Agreement, or five percent (5%) of the total contract amount, whichever is greater. Grantee acknowledges and agrees that the liquidated damages assessed shall be payable to City upon demand and may be offset against any monies due to Grantee from any contract with City.

Section 18.06 – Compliance with ADA

Grantee acknowledges that, pursuant to the Americans With Disabilities Act (ADA) (42 U.S.C. Sections 12101 et seq.) and any other applicable federal, state or local laws (including Section 504 of the Rehabilitation Act of 1973), programs, services and other activities provided by a public entity to the public, whether directly or through a grantee or contractor, must be accessible to the disabled public. Grantee shall not discriminate against any person protected under the ADA in connection with all or any portion of the Work Program and shall comply, and shall require its contractors and consultants to comply, with the provisions of the ADA and any and all other applicable federal, state and local disability rights legislation.

Section 18.07 – Requiring Minimum Compensation for Employees

A. Grantee shall pay covered employees no less than the minimum compensation required by San Francisco Administrative Code Chapter 12P, including a minimum hourly gross compensation, compensated time off, and uncompensated time off. Grantee is subject to the enforcement and penalty provisions in Chapter 12P. Information about and the text of the Chapter 12P is available on the web at <http://www.sfgov.org/olse/mco>. Grantee is required to comply with all of the applicable provisions of 12P, irrespective of the listing of obligations in this Section. By signing and executing this Agreement, Grantee certifies that it complies with Chapter 12P.

B. Grantee's commitment to provide the Minimum Compensation is a material element of City's consideration for this Agreement. City in its sole discretion shall determine whether such a breach has occurred. City and the public will suffer actual damage that will be impractical or extremely difficult to determine if Grantee fails to comply with these requirements. Grantee agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that City and the public will incur for Grantee's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

C. Grantee understands and agrees that if it fails to comply with the requirements of the MCO, City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under

the terms of the contract, and under applicable law. If, within thirty (30) days after receiving written notice of a breach of this Agreement for violating the MCO, Grantee fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Grantee fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

D. Grantee represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

E. If Grantee is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the Fiscal Year is less than \$25,000, but Grantee later enters into an agreement or agreements that cause Grantee to exceed that amount in a Fiscal Year, Grantee shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Grantee and this department to exceed \$25,000 in the fiscal year.

Section 18.08 – Notification of Prohibition on Contributions

Through execution of this Agreement, Grantee acknowledges that it is familiar with Section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, or from any department of the City whenever such transaction would require the approval by a City elective officer, the board on which that City elective officer serves, or a board on which an appointee of that individual serves, from making any campaign contribution to (1) the City elective officer, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or twelve (12) months after the date the contract is approved. Grantee acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$100,000 or more. Grantee further acknowledges that (i) the prohibition on contributions applies to each Grantee; each member of Grantee's board of directors; Grantee's chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than ten percent (10%) in Grantee; any subgrantee listed in the bid or contract; and any committee that is sponsored or controlled by Grantee; and (ii) within thirty (30) days of the submission of a proposal for the contract, the City department with whom Grantee is contracting is obligated to submit to the Ethics Commission the parties to the contract and any subgrantee. Additionally, Grantee certifies that Grantee has informed each of the persons described in the preceding sentence of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the contract, and has provided the names of the persons required to be informed to the City department with whom it is contracting.

Section 18.09 – First Source Hiring Program

If the Grant is (i) for public services, economic development, microenterprise assistance, or planning and the Grant Amount is Fifty Thousand Dollars (\$50,000) or greater, or (ii) for capital projects or construction funding and the Grant Amount is Three Hundred Fifty Thousand Dollars (\$350,000) or greater, then Grantee shall comply with the hiring requirements imposed by City's First Source Hiring Ordinance (San Francisco Administrative Code Chapter 83), which are incorporated herein by this reference. Upon request by MOHCD/OEWD, Grantee agrees to separately execute the attached First Source Hiring Agreement, although the lack of such a separate execution shall not affect the requirements of the agreement as incorporated herein.

A. **Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapter 83 of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Grantee shall comply fully with, and be bound by, all of the provisions that apply to this Agreement under such Chapter, including but not limited to the remedies provided therein. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 83.

B. **First Source Hiring Agreement.** As an essential term of, and consideration for, any contract or property contract with the City, not exempted by the FSHA, the Grantee shall enter into a first source hiring agreement ("agreement") with the City, on or before the effective date of the contract or property contract. Grantees shall also enter into an agreement with the City for any other work that it performs in the City. Such agreement shall:

1. Set appropriate hiring and retention goals for entry level positions. The employer shall agree to achieve these hiring and retention goals, or, if unable to achieve these goals, to establish good faith efforts as to its attempts to do so, as set forth in the agreement. The agreement shall take into consideration the employer's participation in existing job training, referral and/or brokerage programs. Within the discretion of the FSHA, subject to appropriate modifications, participation in such programs may be certified as meeting the requirements of this Chapter. Failure either to achieve the specified goal, or to establish good faith efforts will constitute noncompliance and will subject the employer to the provisions of Section 83.10 of this Chapter.
2. Set first source interviewing, recruitment and hiring requirements, which will provide the San Francisco Workforce Development System with the first opportunity to provide qualified economically disadvantaged individuals for consideration for employment for entry level positions. Employers shall consider all applications of qualified economically disadvantaged individuals referred by the System for employment; provided however, if the employer utilizes nondiscriminatory screening criteria, the employer shall have the sole discretion to interview and/or hire individuals referred or certified by the San Francisco Workforce Development System as being qualified economically disadvantaged individuals. The duration of the first source interviewing requirement shall be determined by the FSHA and shall be set forth in each agreement, but shall not exceed 10 days. During that period, the employer may publicize the entry level positions in accordance with the agreement. A need for urgent or temporary hires must be evaluated, and appropriate provisions for such a situation must be made in the agreement.
3. Set appropriate requirements for providing notification of available entry level positions to the San Francisco Workforce Development System so that the System may train and refer an adequate pool of qualified economically disadvantaged individuals to participating employers. Notification should include such information as employment needs by occupational title, skills, and/or experience required, the hours required, wage scale and duration of employment, identification of entry level and training positions, identification of English language proficiency requirements, or absence thereof, and the projected schedule and procedures for hiring for each occupation. Employers should provide both long-term job need projections and notice before initiating the interviewing and hiring process. These notification requirements will take into consideration any need to protect the employer's proprietary information.
4. Set appropriate record keeping and monitoring requirements. The First Source Hiring Administration shall develop easy-to-use forms and record keeping requirements for documenting compliance with the agreement. To the greatest extent possible, these requirements shall utilize the employer's existing record keeping systems, be nonduplicative, and facilitate a coordinated flow of information and referrals.
5. Establish guidelines for employer good faith efforts to comply with the first source hiring requirements of this Chapter. The FSHA will work with City departments to develop employer good faith effort requirements appropriate to the types of contracts and property contracts handled by each department. Employers shall appoint a liaison for dealing with the development and implementation of the employer's agreement. In the event that the FSHA finds that the employer under a City contract or property contract has taken actions primarily for the purpose of circumventing the requirements of this Chapter, that employer shall be subject to the sanctions set forth in Section 83.10 of this Chapter.
6. Set the term of the requirements.
7. Set appropriate enforcement and sanctioning standards consistent with this Chapter.
8. Set forth the City's obligations to develop training programs, job applicant referrals, technical assistance, and information systems that assist the employer in complying with this Chapter.
9. Require the developer to include notice of the requirements of this Chapter in leases, subleases, and other occupancy contracts.

C. Hiring Decisions. Grantee shall make the final determination of whether an Economically Disadvantaged Individual referred by the System is "qualified" for the position.

D. Exceptions. Upon application by Employer, the First Source Hiring Administration may grant an exception to any or all of the requirements of Chapter 83 in any situation where it concludes that compliance with this Chapter would cause economic hardship.

E. Liquidated Damages. Grantee agrees:

1. To be liable to the City for liquidated damages as provided in this Section;
2. To be subject to the procedures governing enforcement of breaches of contracts based on violations of contract provisions required by this Chapter as set forth in this Section;
3. That the Grantee's commitment to comply with this Chapter is a material element of the City's consideration for this contract; that the failure of the contractor to comply with the contract provisions required by this Chapter will cause harm to the City and the public which is significant and substantial but extremely difficult to quantify; that the harm to the City includes not only the financial cost of funding public assistance programs but also the insidious but impossible to quantify harm that this community and its families suffer as a result of unemployment; and that the assessment of liquidated damages of up to \$5,000 for every notice of a new hire for an entry level position improperly withheld by the contractor from the first source hiring process, as determined by the FSHA during its first investigation of a contractor, does not exceed a fair estimate of the financial and other damages that the City suffers as a result of the contractor's failure to comply with its first source referral contractual obligations.
4. That the continued failure by a contractor to comply with its first source referral contractual obligations will cause further significant and substantial harm to the City and the public, and that a second assessment of liquidated damages of up to \$10,000 for each entry level position improperly withheld from the FSHA, from the time of the conclusion of the first investigation forward, does not exceed the financial and other damages that the City suffers as a result of the contractor's continued failure to comply with its first source referral contractual obligations;
5. That in addition to the cost of investigating alleged violations under this Section, the computation of liquidated damages for purposes of this Section is based on the following data:
 - a. The average length of stay on public assistance in San Francisco's County Adult Assistance Program is approximately 41 months at an average monthly grant of \$348 per month, totaling approximately \$14,379; and
 - b. In 2004, the retention rate of adults placed in employment programs funded under the Workforce Investment Act for at least the first six months of employment was 84.4%. Since qualified individuals under the First Source program face far fewer barriers to employment than their counterparts in programs funded by the Workforce Investment Act, it is reasonable to conclude that the average length of employment for an individual whom the First Source Program refers to an employer and who is hired in an entry level position is at least one year; therefore, liquidated damages that total \$5,000 for first violations and \$10,000 for subsequent violations as determined by FSHA constitute a fair, reasonable, and conservative attempt to quantify the harm caused to the City by the failure of a contractor to comply with its first source referral contractual obligations.
6. That the failure of contractors to comply with this Chapter, except property contractors, may be subject to the debarment and monetary penalties set forth in Sections 6.80 et seq. of the San Francisco Administrative Code, as well as any other remedies available under the contract or at law; and
7. That in the event the City is the prevailing party in a civil action to recover liquidated damages for breach of a contract provision required by this Chapter, the contractor will be liable for the City's costs and reasonable attorneys fees.

Violation of the requirements of Chapter 83 is subject to an assessment of liquidated damages in the amount of \$5,000 for every new hire for an Entry Level Position improperly withheld from the first source hiring process. The assessment of liquidated damages and the evaluation of any defenses or mitigating factors shall be made by the FSHA.

F. Subcontracts. Any subcontract entered into by Grantee shall require the subcontractor to comply with the requirements of Chapter 83 and shall contain contractual obligations substantially the same as those set forth in this Section.

G. To the extent they overlap, Grantee may comply with the requirements of this Section 18.09 by complying with the Section 3 requirements set forth in Section 18.19 (C) below.

Section 18.10 – Prohibition on Political Activity with City Funds

In accordance with San Francisco Administrative Code Chapter 12.G, no funds appropriated by City for this Agreement may be expended for organizing, creating, funding, participating in, supporting, or attempting to influence any political campaign for a candidate or for a ballot measure (collectively, “Political Activity”). The terms of San Francisco Administrative Code Chapter 12.G are incorporated herein by this reference. Accordingly, an employee working in any position funded under this Agreement shall not engage in any Political Activity during the work hours funded hereunder, nor shall any equipment or resource funded by this Agreement be used for any Political Activity. In the event Grantee, or any staff member in association with Grantee, engages in any Political Activity, then (i) Grantee shall keep and maintain appropriate records to evidence compliance with this Section, and (ii) Grantee shall have the burden to prove that no funding from this Agreement has been used for such Political Activity. Grantee agrees to cooperate with any audit by City or its designee in order to ensure compliance with this Section. In the event Grantee violates the provisions of this Section, City may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement and any other agreements between Grantee and City, (ii) prohibit Grantee from bidding on or receiving any new City contract for a period of two (2) years, and (iii) obtain reimbursement of all funds previously disbursed to Grantee under this Agreement.

Section 18.11 – Preservative-treated Wood Containing Arsenic

Grantee may not purchase preservative-treated wood products containing arsenic in the performance of this Agreement unless an exemption from the requirements of Chapter 13 of the San Francisco Environment Code is obtained from the Department of the Environment under Section 1304 of the Code. The term “preservative-treated wood containing arsenic” shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniacal copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Grantee may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of the Environment. This provision does not preclude Grantee from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term “saltwater immersion” shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

Section 18.12 – Supervision of Minors

A. If Grantee, or any subgrantee, is providing services to the City involving the supervision or discipline of minors or where Grantee, or any subgrantee, will be working with minors in an unaccompanied setting on more than an incidental or occasional basis, Grantee and any subgrantee shall comply with any and all applicable requirements under federal or state law mandating criminal history screening for such positions and/or prohibiting employment of certain persons including but not limited to California Penal Code Section 290.95. In the event of a conflict between this section and Section 18.16, "Consideration of Criminal History in Hiring and Employment Decisions," of this Agreement, this section shall control. Grantee shall expressly require any of its subgrantees with supervisory or disciplinary power over a minor to comply with this section of the Agreement as a condition of its contract with the subgrantee. Grantee acknowledges and agrees that failure by Grantee or any of its subgrantees to comply with any provision of this section of the Agreement shall constitute an Event of Default.

B. Grantee, and any subgrantees, shall comply with California Penal Code Section 11105.3 and request from the Department of Justice records of all convictions or any arrest pending adjudication involving the offenses specified in Welfare and Institution Code Section 15660(a) of any person who applies for employment or volunteer position with Grantee, or any subgrantee, in which he or she would have supervisory or disciplinary power over a minor under his or her care.

C. In accordance with California Public Resources Code Section 5164, if Grantee, or any subgrantee, is providing services at a City park, playground, recreational center or beach (separately and collectively, “Recreational Site”), Grantee shall not hire, and shall prevent its subgrantees from hiring, any person for

employment or volunteer position to provide those services if that person has been convicted of any offense listed in Public Resources Code Section 5164.

D. If Grantee, or any of its subgrantees, hires an employee or volunteer to provide services to minors at any location other than a Recreational Site, and that employee or volunteer has been convicted of an offense specified in Penal Code Section 11105.3(c), then Grantee shall comply, and cause its subgrantees to comply with that section and provide written notice to the parents or guardians of any minor who will be supervised or disciplined by the employee or volunteer not less than ten (10) days prior to the day the employee or volunteer begins his or her duties or tasks. Grantee shall provide, or cause its subgrantees to provide City with a copy of any such notice at the same time that it provides notice to any parent or guardian.

E. Grantee shall expressly require any of its subgrantees with supervisory or disciplinary power over a minor to comply with this Section of the Agreement as a condition of its contract with the subgrantee.

F. Grantee acknowledges and agrees that failure by Grantee or any of its subgrantees to comply with any provision of this Section of the Agreement shall constitute an Event of Default.

Section 18.13 – Protection of Private Information

Grantee has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12M.2, “Nondisclosure of Private Information,” and 12M.3, “Enforcement” of Administrative Code Chapter 12M, “Protection of Private Information,” which are incorporated herein as if fully set forth. Grantee agrees that any failure of Grantee to comply with the requirements of Section 12M.2 of this Chapter shall be a material breach of the Agreement. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate the Agreement, bring a false claim action against the Grantee pursuant to Chapter 6 or Chapter 21 of the Administrative Code, or debar the Grantee.

Section 18.14 – Distribution of Beverages and Water

(a) **Sugar-Sweetened Beverage Prohibition.** Grantee agrees that it shall not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of this Agreement.

(b) **Packaged Water Prohibition.** Grantee agrees that it shall not sell, provide, or otherwise distribute Packaged Water, as defined by San Francisco Environment Code Chapter 24, as part of its performance of this Agreement.

Section 18.15 – Food Service Waste Reduction Requirements

Grantee agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Agreement as though fully set forth. This provision is a material term of this Agreement. By entering into this Agreement, Grantee agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, Grantee agrees that the sum of one hundred dollars (\$100) liquidated damages for the first breach, two hundred dollars (\$200) liquidated damages for the second breach in the same year, and five hundred dollars (\$500) liquidated damages for subsequent breaches in the same year is reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this Agreement was made. Such amount shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Grantee’s failure to comply with this provision.

Section 18.16 – Slavery Era Disclosure

If Grantee is providing (i) insurance or insurance services, (ii) financial services, or (iii) textiles, as part of its Work Program, then Grantee shall comply with the following requirements, unless Grantee falls within an exception (see Administrative Code Section 12Y.3):

(a) Grantee acknowledges that this Agreement shall not be binding upon City until the Director receives the affidavit required by the San Francisco Administrative Code’s Chapter 12Y, “San Francisco Slavery Era Disclosure Ordinance.”

(b) In the event the Director finds that Grantee has failed to file an affidavit as required by Section 12Y.4(a) and this Agreement, or has willfully filed a false affidavit, Grantee shall be liable for liquidated damages in an amount equal to Grantee's net profit on the Agreement, 10 percent of the total amount of the Agreement, or \$1,000, whichever is greatest as determined by the Director. Grantee acknowledges and agrees that the liquidated damages assessed shall be payable to City upon demand and may be set off against any monies due to the Grantee from any agreement with the City.

(c) Grantee shall maintain records necessary for monitoring their compliance with this provision.

Section 18.17 – Card Check Agreements

The City and County of San Francisco has enacted an Ordinance at Chapter 23, Article V of its Administrative Code, commencing at Section 23.50 (the “Card Check Ordinance”), which applies to Grantee if the Work Program relates to or involves a Hotel or Restaurant Work Program and Grantee employs, or intends to employ, fifty (50) or more full or part-time employees. The terms of the Card Check Ordinance are expressly incorporated herein by this reference. To the extent Grantee, or its successors or assigns, employs individuals in a hotel or restaurant within the scope of the Card Check Ordinance, Grantee agrees, as a material condition of this Agreement, to enter into and abide by a Card Check Agreement with a Labor Organization or Organizations seeking to represent Grantee’s employees, if and as required by the Card Check Ordinance, and to otherwise fully comply with the requirements of the Card Check Ordinance. Grantee recognizes that, if applicable, it must enter into a Card Check Agreement with a Labor Organization(s) as specified before executing this Agreement, and that being a party to such a Card Check Agreement is a condition precedent to the effectiveness of this Agreement.

Section 18.18 – Religious Activities

Grantee agrees that the Grant Amount will not be utilized for religious activities, such as worship, religious instruction or proselytization, or to promote religious interests. Grantee shall comply with applicable federal regulations, including those set forth in 24 C.F.R. 570.200(j). Grantee shall not, in performing the Work Program, discriminate against a person or entity on the basis of religion or religious belief.

Section 18.19 – Additional Federal Requirements (Section for CDBG, ESG and HOPWA Grants only)

A. Grantee agrees to abide by (i) 24 C.F.R. Part 570; and (ii) OMB Uniform Guidance requirements in 2 C.F.R. Part 200; as the same may be modified, supplanted or supplemented from time to time. Grantee acknowledges that it has reviewed each of the above documents, and will be responsible for ensuring its own compliance with the terms and conditions of these documents. MOHCD/OEWD will make available to Grantee additional copies of each of these documents at MOHCD/OEWD’s offices.

B. Grantee agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act (which does not apply to ESG and HOPWA grants), the Safety Standards Act, the Copeland “Anti-Kickback” Act (40 U.S.C. Sections 276, 327-333) and all other federal, state and local laws and regulations pertaining to labor standards insofar as they apply to the performance of this Agreement.

C. If applicable under Title 24 of the Code of Federal Regulations (“C.F.R.”) Part 135, Grantee agrees as follows:

1. To comply with 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-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low and moderate income persons, particularly persons who are recipients of HUD assistance for housing.
2. To comply with HUD's regulations 24 C.F.R. Part 135 (the “Part 135 Regulations”), which implement Section 3. As evidenced by their execution of this Agreement, the parties hereto certify that they are under no contractual obligation and they have no other impediment that would prevent them for complying with the Part 135 Regulations.
3. To send to each labor organization or representative of workers with which Grantee has a collective bargaining agreement or other similar understanding, if any, a notice advising the labor

organization of workers representative of Grantee's commitments under Section 3, and will post copies of the notice in conspicuous places at all work sites where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, the availability of apprenticeship and training positions and the qualifications for each, the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.

4. To include a Section 3 clause similar to this Section 18.19 (C) in every subcontract subject to compliance with the Part 135 Regulations, and to take appropriate action upon finding that a subcontractor is in violation of the Part 135 Regulations. Grantee shall not subcontract with any subcontractor where Grantee has notice or knowledge that the subcontractor has been found in violation of the Part 135 Regulations.

5. To certify that any vacant employment positions, including training positions, that are filled (1) after a contractor is selected but before the contract is executed, and (2) with persons other than those to whom the Part 135 Regulations require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under the Part 135 Regulations.

6. Grantee hereby acknowledges and agrees that noncompliance with the Part 135 Regulations may result in sanctions, termination of this Agreement (including termination of continued funding under this Agreement), and/or debarment or suspension from future HUD assisted contracts.

D. In the event Grantee receives any payment or reimbursement hereunder, which the Funding Source later disallows, Grantee shall promptly refund the disallowed amount to MOHCD/OEWD upon MOHCD/OEWD's request. At its option, MOHCD/OEWD may offset the amount disallowed from any future payment under this Agreement.

E. Grantee agrees to comply with the following requirements insofar as they apply to the performance of this Agreement: (a) the Clean Air Act (42 U.S.C. Sections 7401 et seq.); (b) Federal Water Pollution Control Act (33 U.S.C. Sections 1251 et seq.); (c) Environmental Protection Agency regulations pursuant to 40 C.F.R. Part 50; (d) Flood Disaster Protection Act of 1973 (42 U.S.C. Section 4001); (e) HUD's lead based paint regulations at 24 C.F.R. 570.608; and (f) the National Historic Preservation Act of 1966 (16 U.S.C. Section 470) and the procedures set forth in 36 C.F.R. Part 800 on the Historic Preservation Procedures for Protection of Historic Properties.

F. Grantee acknowledges the urgent need to prevent violence and create greater community awareness regarding the negative impact of violence of youth in our communities. Grantee is encouraged, where appropriate, to direct its MOHCD/OEWD-assisted activities to benefit youth and reduce violence. The Cranston-Gonzales National Affordable Housing Act requires that procedures be implemented to ensure confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG and that the address or location of any ESG-assisted family violence shelter shall not be made public without the prior written authorization of the person or persons responsible for the operation of such shelter.

Section 18.20 – Compliance with Lobbying Provisions (Section for CDBG, ESG and HOPWA Grants only)

In addition to, and not in substitution for, other provisions of this Agreement regarding the provision of services with the Grant Funds, Grantee agrees to the following provisions pursuant to the Housing and Community Development Act of 1992:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of Grantee, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal

contract, grant, loan, or cooperative agreement, Grantee will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

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

4. Grantee will require that the language of this Section 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 all subrecipients shall certify and disclose accordingly. This is a material representation of fact upon which reliance was placed when this Agreement was made.

Section 18.21 – Local Business Enterprise Utilization; Liquidated Damages

a. **The LBE Ordinance.** Contractor shall comply with all the requirements of the Local Business Enterprise and Non-Discrimination in Contracting Ordinance set forth in Chapter 14B of the San Francisco Administrative Code as it now exists or as it may be amended in the future (collectively the "LBE Ordinance"), provided such amendments do not materially increase Contractor's obligations or liabilities, or materially diminish Contractor's rights, under this Agreement. Such provisions of the LBE Ordinance are incorporated by reference and made a part of this Agreement as though fully set forth in this section. Contractor's willful failure to comply with any applicable provisions of the LBE Ordinance is a material breach of Contractor's obligations under this Agreement and shall entitle City, subject to any applicable notice and cure provisions set forth in this Agreement, to exercise any of the remedies provided for under this Agreement, under the LBE Ordinance or otherwise available at law or in equity, which remedies shall be cumulative unless this Agreement expressly provides that any remedy is exclusive. In addition, Contractor shall comply fully with all other applicable local, state and federal laws prohibiting discrimination and requiring equal opportunity in contracting, including subcontracting.

b. **Compliance and Enforcement.**

1) **Enforcement.** If Contractor willfully fails to comply with any of the provisions of the LBE Ordinance, the rules and regulations implementing the LBE Ordinance, or the provisions of this Agreement pertaining to LBE participation, Contractor shall be liable for liquidated damages in an amount equal to Contractor's net profit on this Agreement, or 10% of the total amount of this Agreement, or \$1,000, whichever is greatest. The Director of the City's Contracts Monitoring Division or any other public official authorized to enforce the LBE Ordinance (separately and collectively, the "Director of CMD") may also impose other sanctions against Contractor authorized in the LBE Ordinance, including declaring the Contractor to be irresponsible and ineligible to contract with the City for a period of up to five years or revocation of the Contractor's LBE certification. The Director of CMD will determine the sanctions to be imposed, including the amount of liquidated damages, after investigation pursuant to Administrative Code §14B.17. By entering into this Agreement, Contractor acknowledges and agrees that any liquidated damages assessed by the Director of the CMD shall be payable to City upon demand. Contractor further acknowledges and agrees that any liquidated damages assessed may be withheld from any monies due to Contractor on any contract with City. Contractor agrees to maintain records necessary for monitoring its compliance with the LBE Ordinance for a period of three years following termination or expiration of this Agreement, and shall make such records available for audit and inspection by the Director of CMD or the Controller upon request.

2) **Subcontracting Goals.** The LBE subcontracting participation goal for this contract is ____%. Contractor shall fulfill the subcontracting commitment made in its bid or proposal. Each invoice submitted to City for payment shall include the information required in the CMD Progress Payment Form and the CMD Payment Affidavit. Failure to provide the CMD Progress Payment Form and the CMD Payment Affidavit with each invoice submitted by Contractor shall entitle City to withhold 20% of the amount of that invoice until the CMD Payment Form and the CMD Subcontractor Payment Affidavit are provided by Contractor. Contractor shall not participate in any back contracting to the Contractor or lower-tier subcontractors, as defined in the LBE Ordinance, for any purpose inconsistent with the provisions of the LBE Ordinance, its implementing rules and regulations, or this Section.

3) **Subcontract Language Requirements.** Contractor shall incorporate the LBE Ordinance into each subcontract made in the fulfillment of Contractor's obligations under this Agreement and require each subcontractor to agree and comply with provisions of the ordinance applicable to subcontractors. Contractor shall include in all subcontracts with LBEs made in fulfillment of Contractor's obligations under this Agreement, a provision requiring Contractor to compensate any LBE subcontractor for damages for breach of contract or liquidated damages equal to 5% of the subcontract amount, whichever is greater, if Contractor does not

fulfill its commitment to use the LBE subcontractor as specified in the bid or proposal, unless Contractor received advance approval from the Director of CMD and contract awarding authority to substitute subcontractors or to otherwise modify the commitments in the bid or proposal. Such provisions shall also state that it is enforceable in a court of competent jurisdiction. Subcontracts shall require the subcontractor to maintain records necessary for monitoring its compliance with the LBE Ordinance for a period of three years following termination of this contract and to make such records available for audit and inspection by the Director of CMD or the Controller upon request.

4) **Payment of Subcontractors.** Contractor shall pay its subcontractors within three working days after receiving payment from the City unless Contractor notifies the Director of CMD in writing within ten working days prior to receiving payment from the City that there is a bona fide dispute between Contractor and its subcontractor and the Director waives the three-day payment requirement, in which case Contractor may withhold the disputed amount but shall pay the undisputed amount. Contractor further agrees, within ten working days following receipt of payment from the City, to file the CMD Payment Affidavit with the Controller, under penalty of perjury, that the Contractor has paid all subcontractors. The affidavit shall provide the names and addresses of all subcontractors and the amount paid to each. Failure to provide such affidavit may subject Contractor to enforcement procedure under Administrative Code §14B.17.

Section 18.22 – Small Business Enterprise Program

Contractor shall comply with all the requirements of the Small Business Enterprise Program set forth in the Contract Monitoring Division’s MOHCD Small Business Enterprise Program Manual as it now exists or as it may be amended in the future (collectively the “SBE Program”), provided such amendments do not materially increase Contractor’s obligations or liabilities, or materially diminish Contractor’s rights, under this Agreement. Such provisions of the SBE Program are incorporated by reference and made a part of this Agreement as though fully set forth in this section. Contractor’s willful failure to comply with any applicable provisions of the SBE Program is a material breach of Contractor’s obligations under this Agreement and shall entitle City, subject to any applicable notice and cure provisions set forth in this Agreement, to exercise any of the remedies provided for under this Agreement, under the SBE Program or otherwise available at law or in equity, which remedies shall be cumulative unless this Agreement expressly provides that any remedy is exclusive. In addition, Contractor shall comply fully with all other applicable local, state and federal laws prohibiting discrimination and requiring equal opportunity in contracting, including subcontracting.

Section 18.23 – Consideration of Criminal History in Hiring and Employment Decisions

(a) Contractor agrees to comply fully with and be bound by all of the provisions of Chapter 12T, “City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions,” of the San Francisco Administrative Code (“Chapter 12T”), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at <http://sfgov.org/olse/fco>. Contractor is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

(b) The requirements of Chapter 12T shall only apply to a Contractor’s or Subcontractor’s operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, and shall apply when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco. Chapter 12T shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

(c) Contractor shall incorporate by reference in all subcontracts the provisions of Chapter 12T, and shall require all subcontractors to comply with such provisions. Contractor’s failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

(d) Contractor understands and agrees that if it fails to comply with the requirements of Chapter 12T, the City shall have the right to pursue any rights or remedies available under Chapter 12T, including but not limited to, penalties for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Agreement.

Section 18.24 – State Labor Standards

Grantee shall ensure that the requirement of Chapter I (commencing with Section 1720) of Part 7 of the California Labor Code (pertaining to the payment of prevailing wages and administered by the California Department of Industrial Relations) are met.

Subsection (a) of Labor Code section 1771.1 states that “a contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.” Subsection (b) of Labor Code section 1771.1 states that “notice of the requirement described in subdivision (a) shall be included in all bid invitations and public works contracts, and a bid shall not be accepted nor any contract or subcontract entered into without proof of the contractor or subcontractor’s current registration to perform public work pursuant to Section 1725.5.”

Section 18.25 – Compliance with Other Laws

Without limiting the scope of any of the preceding sections of this Article 18, Grantee shall keep itself fully informed of the City’s Charter, codes, ordinances and regulations and all state, and federal laws, rules and regulations affecting the performance of this Agreement and shall at all times comply with such Charter codes, ordinances, and regulations rules and laws.

Section 18.26 – Health Care Accountability Ordinance

Grantee shall comply with San Francisco Administrative Code Chapter 12Q. Grantee shall choose and perform one of the Health Care Accountability options set forth in San Francisco Administrative Code Chapter 12Q.3. Grantee is subject to the enforcement and penalty provisions in Chapter 12Q.

Section 18.27 – Payment Card Industry ("PCI") Requirements

Payment Card Industry (“PCI”) Requirements. Grantees providing services and products that handle, transmit or store cardholder data, are subject to the following requirements:

(a) Applications shall be compliant with the Payment Application Data Security Standard (PA-DSS) and validated by a Payment Application Qualified Security Assessor (PA-QSA). A Grantee whose application has achieved PA-DSS certification must then be listed on the PCI Councils list of PA-DSS approved and validated payment applications.

(b) Gateway providers shall have appropriate Payment Card Industry Data Security Standards (PCI DSS) certification as service providers (<https://www.pcisecuritystandards.org/index.shtml>). Compliance with the PCI DSS shall be achieved through a third party audit process. The Grantee shall comply with Visa Cardholder Information Security Program (CISP) and MasterCard Site Data Protection (SDP) programs.

(c) For any Grantee that processes PIN Debit Cards, payment card devices supplied by Grantee shall be validated against the PCI Council PIN Transaction Security (PTS) program.

(d) For items (a) to (c) above, Grantee shall provide a letter from their qualified security assessor (QSA) affirming their compliance and current PCI or PTS compliance certificate.

(e) Grantee shall be responsible for furnishing City with an updated PCI compliance certificate 30 calendar days prior to its expiration.

(f) Bank Accounts. Collections that represent funds belonging to the City and County of San Francisco shall be deposited, without detour to a third party’s bank account, into a City and County of San Francisco bank account designated by the Office of the Treasurer and Tax Collector.

Section 18.28 – Minimum Wage

Grantee shall comply fully with and be bound by all of the provisions of the Minimum Wage Ordinance (MWO), as set forth in Chapter 12R of the San Francisco Administrative Code, including the administrative fines, remedies, and penalties provided therein, as the same may be amended from time to time. The provisions of Chapter 12R are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of Chapter 12R is available on the web at <http://sfgov.org/olse/minimum-wage-ordinance-mwo>.

Section 18.29 – Duty to Collect and Record Client Sexual Orientation and Gender Identity Data

If Contractor will be providing services intended to assist clients with accessing health care, temporary shelter, transitional housing, and the Work Plan requires the Contractor to collect demographic information about clients, Contractor shall comply with San Francisco Administrative Code Chapter 104 by seeking to collect and record information about clients' sexual orientation and gender identity, and reporting such data to MOHCD. In seeking to collect information about clients' sexual orientation and gender identity, Contractor shall: (1) communicate to clients that the provision of sexual orientation and gender identity information is voluntary, and no direct services shall be denied to clients who decline to provide that information; (2) solicit gender identity and sexual orientation data using questions and approaches consistent with the Department of Public Health's Policies and Procedures entitled "Sexual Orientation Guidelines: Principles for Collecting, Coding, and Reporting Identity Data," reissued on September 2, 2014, and "Sex and Gender Guidelines: Principles for Collecting, Coding, and Reporting Identity Data," reissued on September 2, 2014, or any successor Policies and Procedures; and (3) advise clients that they will protect personally identifiable information regarding clients' sexual orientation and gender identity from unauthorized disclosure, to the extent permitted by law. The duty to collect information about gender identity and sexual orientation shall not apply to the extent such collection is incompatible with any professionally reasonable clinical judgment that is based on articulable facts of clinical significance. Further, Contractor shall protect personally identifiable information from unauthorized disclosure, to the extent permitted by law and as required by the Health Insurance Portability and Accountability Act, the California Medical Information Act, Article 1 of the California Constitution, the California Health and Safety Code and regulations promulgated thereunder, the California Welfare and Institutions Code and regulations promulgated thereunder, and any other applicable provision of federal or state law.

ARTICLE 19 MISCELLANEOUS

Section 19.01 – No Waiver

No waiver by MOHCD/OEWD or City of any default or breach of this Agreement shall be implied from any failure by MOHCD/OEWD or City to take action on account of such default if such default persists or is repeated. No express waiver by MOHCD/OEWD or City shall affect any default other than the default specified in the waiver and shall be operative only for the time and to the extent therein stated. Waivers by MOHCD/OEWD or City of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by MOHCD/OEWD or City of any action requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act.

Section 19.02 – Modification

This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved in the same manner as this Agreement. Any proposed amendment to this Agreement may be subject to the approval of the Funding Source agency where the City determines it is necessary.

Section 19.03 – Administrative Remedy for Agreement Interpretation

Should any question arise as to the meaning or intent of this Agreement, the question shall, prior to any other action or resort to any other legal remedy, be referred to the Director of MOHCD/OEWD who shall decide the true meaning and intent of the Agreement. Such decisions shall be final and conclusive.

Section 19.04 – Governing Law; Venue

The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California, without regard to its conflict of laws principles. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

Section 19.05 – Headings

All article and section headings and captions contained in this Agreement are for reference only and shall not be considered in construing this Agreement.

Section 19.06 – Entire Agreement

This Agreement and the Application Documents set forth the entire Agreement between the parties, and supersede all other oral or written provisions. If there is any conflict between the terms of this Agreement and the Application Documents, the terms of this Agreement shall govern. The following appendices are attached to and a part of this Agreement:

Appendix A:	Fund Source Information, Work Program(s) and Project Budget(s)
Appendix B:	Interests in Other City Contracts

Section 19.07 – Certified Resolution of Signatory Authority

Upon request of City, Grantee shall deliver to City a copy of the corporate resolution(s) authorizing the execution, delivery and performance of this Agreement, certified as true, accurate and complete by the secretary or assistant secretary of Grantee.

Section 19.08 – Severability

Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.

Section 19.09 – Successors; No Third-Party Beneficiaries

Subject to the terms of Article 7, the terms of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their successors and assigns. Nothing in this Agreement, whether express or implied, shall be construed to give any person or entity (other than the parties hereto and their respective successors and assigns and, in the case of Article 12, the Indemnified Parties) any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenants, conditions or provisions contained herein.

Section 19.10 – Survival of Terms

The obligations of Grantee and the terms of the following provisions of this Agreement shall survive and continue following expiration or termination of this Agreement:

Section 7.04	Grantee Retains Responsibility.
Section 8.04	Ownership of Results.
Section 9.04	Financial Statements.
Section 9.05	Books and Records.
Section 9.06	Inspection and Audit.
Section 9.07	Submitting False Claims; Monetary Penalties
Article 10	Taxes
Article 11	Representations and Warranties
Article 12	Indemnification and General Liability
Section 13.04	Required Post-Expiration Coverage.
Article 15	Disclosure of Information and Documents
Section 16.03	Consequences of Recharacterization.

This Article 19 Miscellaneous

Section 19.11 – Grievance Procedures

Grantee shall maintain written grievance procedures, which allow Grantee's employees, clients and any subcontractors to submit complaints regarding the activities funded by this Agreement. Grantee shall inform its employees, clients and subcontractors of their rights to submit a complaint and shall provide a written copy of its grievance procedure upon request.

Section 19.12 – Attendance at Meetings

If requested by City, Grantee's Executive Director, Program Director or other designated staff shall attend specified meetings. Failure to attend said meetings without adequate reason as determined by City should be grounds for termination of this Agreement.

Section 19.13 – Further Assurances

From and after the date of this Agreement, Grantee agrees to do such things, perform such acts, and make, execute, acknowledge and deliver such documents as may be reasonably necessary or proper and usual to complete the transactions contemplated by this Agreement and to carry out the purpose of this Agreement in accordance with this Agreement.

Section 19.14 – Cooperative Drafting

This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

Section 19.15 – Departmental Transition and Continuity (Section for ESG Grants only)

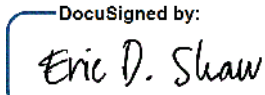

Over the course of the term of this Agreement, it is anticipated that management of this contract on behalf of the City shall transfer from MOHCD to a new department which shall be established for the purpose of coordinating homeless services. As part of the transfer, the departmental contact and invoicing procedures specified in this Agreement may shift from MOHCD to the new department, however the responsibilities under this Agreement shall not change. MOHCD shall notify Contractor/Grantee of the new departmental contact and invoicing procedures. At such time as notice is given, all references in this Agreement to MOHCD or the "Department" shall be construed as a reference to the new department.

SIGNATURES ON THE NEXT PAGE

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first specified herein. The signatories to this Agreement warrant and represent that they have the authority to enter into this agreement on behalf of the respective parties and to bind them to the terms of this Agreement.

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

BY: 
LONDON N. BREED, MAYOR

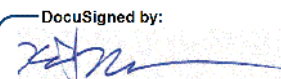
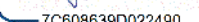
DocuSigned by:

BY: 
ERIC D. SHAW, Director
Mayor's Office of Housing and Community
Development

OR

BY: _____
MERRICK PASCUAL, Chief Financial Officer
Office of Economic and Workforce Development

APPROVED AS TO FORM:

DENNIS J. HERRERA
CITY ATTORNEY

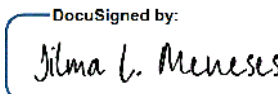
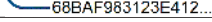
DocuSigned by:

BY: 
KEITH NAGAYAMA
Deputy City Attorney

GRANTEE: Catholic Charities CYO of the
Archdiocese of San Francisco,
a California nonprofit public benefit corporation

By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off.

I have read and understood Section 18.02, the City's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.

I have read the conflict of interest provisions under Section 11.04 and certify that I will comply with all provisions and identify instances where conflict of interest may exist.

DocuSigned by:

BY: 
Print Name: Jilma L. Meneses

Title: CEO

(If the person signing is NOT the Board President/Chair or other officer authorized to execute legal instruments under Grantee's Bylaws, Grantee must provide City with a corporate resolution pursuant to Section 19.07)

MOHCD/OEWD Grant Agreement from May 1, 2021 to September 30, 2022 \$6,000,000.00 Grant Agreement Amount**

MOHCD/OEWD Grant Coordinator: Hugo Ramirez

**The Grant amount is contingent on the availability of funds from the Funding Source as allocated and approved by the Mayor and the Board of Supervisors. MOHCD/OEWD reserves the right to make necessary correction and adjustment to the Grant Amount if there are errors or discrepancies.

Appendix A

Agency Name: Catholic Charities CYO of the Archdiocese of San Francisco
Project ID: 155611-20

Fund Source Information, Work Program and Project Budget
Grant Year: 2020-2021

Funding Source(s) Information:

Funding Source Name	
Amount Granted by this Agreement	\$6,000,000.00
Total Amount Granted by Fund Source	\$6,000,000.00
Federal Award Identification Number (FAIN)	
Federal Award Date	
Total Amount of the Federal Award	
Federal Award Project Description	
Federal Awarding Agency	
CFDA Number and Name	
Award for R&D?	
Indirect Cost Rate for the Federal Award	
Maximum Indirect Cost Rate between MOHCD/OEWD and Agency	0.00%

NARRATIVE**Catholic Charities CYO of the Archdiocese of San Francisco - 155611-20 U.S. Treasury
Emergency Rental Assistance Program - Catholic Charities****VERSIONS OF THIS FORM**

Briefly describe the clients this project will serve, along with the needs they have and challenges they face.

The Emergency Rental Assistance Program is designed to serve the most vulnerable tenants with the highest likelihood of experiencing homelessness or the most severe consequences of housing loss.

GRANTEE IMPLEMENTATION OF A CITY PROGRAM

Grantee (Program Implementer) must implement the City's Emergency Rental Assistance Program (Program) in compliance with Program Guidelines as established by MOHCD. All Program Applicants must receive the same level of service programwide regardless of Program Implementer.

Program Implementers must provide Financial Assistance only to households according to the Program's Vulnerability Assessment or as determined by the Program Guidelines. That is, meeting the Vulnerability Threshold of the Vulnerability Assessment or the Program Guidelines determine Priority Applications to be processed for Financial Assistance. Program Implementers must not deviate from the Program Guidelines, including but not limited to Financial Assistance, Priority Applications, and Documentation Standards. Any proposed deviation must obtain prior written approval from MOHCD on a strict case by case basis. [CONTINUED BELOW]

Briefly describe project design and implementation, including how the project addresses the needs described above.

Program Implementers must not provide Financial Assistance to households who do not meet the Vulnerability Threshold or whose applications are not determined by the Program Guidelines to be Priority Applications. Meeting the Vulnerability Threshold is distinct from meeting the Eligibility Criteria of the Program. Meeting the Eligibility Criteria of the Program does not guarantee Financial Assistance to a Program Applicant.

Program Guidelines may be updated from time to time by MOHCD and may be informed by the recommendations of Program Implementers and other key stakeholders based on implementation learnings.

REIMBURSEMENT OF FINANCIAL ASSISTANCE ONLY – NO INDIRECT, NO ADMINISTRATIVE, NO SERVICES COSTS UNLESS EXPRESSLY AUTHORIZED BY MOHCD

The only authorized use of this Grant Agreement is reimbursement of Financial Assistance, unless other uses are authorized by MOHCD through a Grant Amendment. If Grantee would like to request other uses, such as Administrative Activities (direct and indirect costs) or Housing Stability Services, the Grantee must submit this request in writing to MOHCD and provide a rationale for this request. Rationale may include that these uses are necessary to maintain the basic level of service required by MOHCD or may include enhanced services as mutually agreed on by Grantee and MOHCD. Other MOHCD sources (CDBG-CV1 and CDBG-CV3) have been awarded to Grantee to cover these other costs. If these other MOHCD sources are insufficient... [CONTINUED BELOW]

Briefly describe the desired results of this project, at a client and/or community level, and how effectiveness in achieving these results will be measured and evaluated.

to implement the Program, Grantee may request a Grant Agreement to authorize these other uses.

CENTRALIZED PLATFORM AND REPORTING

All Program Applications must be entered into the shared platform (Platform) provided by MOHCD or its third-party provider, Bay Area Community Services (BACS). A Program Participant's supporting documentation (verification documents) must be maintained in a physical client file and/or the Platform. Grantee will be required to enter into Platform User Agreement and comply with information security and confidentiality protocols. Program Reporting will be done on the Platform, not on the Grants Management System (GMS). This includes Program Participant demographic and financial assistance reporting. Grant invoicing will continue to be done through GMS.

GRANT AWARD IS SUBJECT TO RE-ALLOCATION TO OTHER PROGRAM IMPLEMENTERS

Grant Award is subject to re-allocation to another Program Implementer... [CONTINUED BELOW]

Briefly describe key staff involved in this project, their roles, and their qualifications.

as determined by active MOHCD monitoring of Program Implementer and programwide performance and by community need. MOHCD will consider Program Implementer staff capacity, volume of applications (Program Applications and Priority Applications), and Program Implementer performance. MOHCD will first consult with impacted Program Implementers before unilaterally re-allocating funding.

PARTICIPATION IN EVALUATION AND COLLABORATIVE PROCESSES

Grantee will be required to participate in program evaluation with MOHCD and external partners, including the University of California, San Francisco and All Home. Grantee will be required to participate in case conferences, general quality improvement activities, and in a Prevention Learning Collaborative facilitated by MOHCD. Cadences of these meetings will vary.

KEY STAFF: Senior Program Director; Program Director; Program Coordinator; Case Manager (five); Emergency Housing Specialist (four); Receptionist & Intake; Administrative & Fiscal Support

ACTIVITIES AND OUTCOMES

Catholic Charities CYO of the Archdiocese of San Francisco - 155611-20 U.S. Treasury Emergency Rental Assistance Program - Catholic Charities

VERSIONS OF THIS FORM

PROGRAM AREA: EVICTION PREVENTION AND HOUSING STABILIZATION

STRATEGY: TENANT-BASED RENTAL SUBSIDIES

Client Activities: Tenant-Based Rental Subsidies

Client Activity 1

Activity

Direct Financial Assistance

Activity Goal: People

1

Description

With a grant award of \$6 million, Grantee will serve an estimated 571 households with an average of \$10,500 per household.

Client reporting will be done on separate Platform.

Outcomes for Direct Financial Assistance

Non-Client Activities: Tenant-Based Rental Subsidies

CLIENTS AND NEIGHBORHOODS**Catholic Charities CYO of the Archdiocese of San Francisco - 155611-20 U.S. Treasury
Emergency Rental Assistance Program - Catholic Charities****VERSIONS OF THIS FORM**

Data entered within the Activities and Outcomes form will be validated against the entered Total Number of Unduplicated Clients for this Project on this form. Please review any messages that appear on this form and make necessary adjustments to the Clients and Neighborhoods form or Activities and Outcomes form.

Total Number of Unduplicated Clients for this Project

1

Projected # of Unduplicated Clients by Strategy

Strategy	Number of Unduplicated Clients in this Strategy
Tenant-Based Rental Subsidies	1

Sum of Unduplicated Clients by Strategy

1

Neighborhoods Served

Neighborhood	Number of Unduplicated Clients in this Neighborhood
Tenderloin	1

Sum of Unduplicated Clients in Neighborhoods

1

BUDGET**Catholic Charities CYO of the Archdiocese of San Francisco - 155611-20 U.S. Treasury
Emergency Rental Assistance Program - Catholic Charities**

VERSIONS OF THIS FORM

Setup: Select line items

- ☐ Salary
☐ Fringe
☐ Contractual Service
☐ Equipment
☐ Space Rental/Occupancy Costs
☒ Other
☐ Indirect Costs

Total Grant Award	Currently Budgeted Amount
\$6,000,000.00	\$6,000,000.00

Summary

Budget Summary

Line Item		Total
Other	\$6,000,000.00	
Total	\$6,000,000.00	

Other

Description	Total Amount
Financial Assistance	6000000.00

Explanation

With a grant award of \$6 million, Grantee will serve an estimated 571 households with an average of \$10,500 per household.

ADVANCE PAYMENTS

In an effort to mitigate grantee cash flow issues and consistent with guidance from the Controller's Office and MOHCD's policy and procedures for advance payments, MOHCD may approve grantee requests for advance payment in an amount equal to one month of total operating expenses attributable to the Program with the requirement that each advance payment be fully repaid by the final month of the fiscal year or grant term, as applicable. MOHCD may approve one advance payment per fiscal year. For grant term May 1, 2021 – September 30, 2022, grantee may request advance payment in June 2022 for FY2020-21 and in July 2021 for FY2021-22. The former must be repaid by June 30, 2021 and the latter by September 30, 2022. Please note that repayment is achieved via a grantee's provision of Financial Assistance and other uses as authorized by MOHCD.

Other Total	\$6,000,000.00
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**Appendix B--Interests In Other City Contracts
2020-2021**

City Department or Commission	Date of Contract	Amount of Contract



**Mayor's Office of Housing
& Community Development
(MOHCD)**

Eric D. Shaw
Director

TO: **Grantee Signatory / Keith Nagayama / Eric D. Shaw / Mayor London N. Breed**

FROM: **Dolly Sithounnolat (dolly.sithounnolat@sfgov.org)**

CONTACT: **Hugo Ramirez (hugo.ramirez@sfgov.org)**

SUBJECT: **Request for Signature on the Attached Grant Amendment**

DATE: **June 25, 2021**

The following information describes the grant amendment:

Name of Grantee: **Catholic Charities CYO of the Archdiocese of San Francisco**

Project ID: **155611-20**

Project Area: **Eviction Prevention and Housing Stabilization**

Strategy: **Tenant-Based Rental Subsidies**

Project Name: **U.S. Treasury emergency rental assistance program**

Grant Term: **5/1/2021 – 9/30/2022**

Grant Increase: **\$0**

Grant Award (one-time):

CDBG	HOPWA	General Fund	Treasury ERA	Total Grant Award
\$0	\$0	\$0	\$6,000,000	\$6,000,000

For MOHCD Use Only:

Routing Notes (if applicable):

☒ Appendix B (not applicable for amendments)

☐ Updated Insurance in GMS

☐ Audit Requirement(s) in GMS

**AMENDMENT TO GRANT AGREEMENT
BETWEEN THE CITY AND COUNTY OF SAN FRANCISCO
AND
CATHOLIC CHARITIES CYO OF THE ARCHDIOCESE OF SAN FRANCISCO
155611-20**

This Amendment to Grant Agreement (this "Amendment") is made on June 1, 2021 by and between the City and County of San Francisco, a municipal corporation ("City"), acting by and through the Mayor's Office of Housing and Community Development or Office of Economic and Workforce Development ("MOHCD/OEWD") and Catholic Charities CYO of the Archdiocese of San Francisco, a California nonprofit public benefit corporation ("Grantee").

A. The parties have previously entered into a Grant Agreement dated as of May 1, 2021 ("Grant Agreement"). Pursuant to the Grant Agreement, the City agreed to grant to Grantee a total of \$6,000,000.00 in grant funds (the "Grant Funds") in return for certain promises and agreements by Grantee set forth therein. Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Grant Agreement.

B. The Grantee has requested advanced payments of the Grant Funds to have funds available for rental assistance to eligible San Francisco tenants, and MOHCD desires to provide such advance payment of Grant Funds in accordance with the City's policies.

Now, therefore for valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Modifications to the Grant Agreement: The Grant Agreement is hereby modified as follows:

a. Cover Sheet. The cover sheet to the Grant Agreement is hereby deleted in its entirety and replaced with the Cover Sheet attached hereto as Exhibit 1.

b. Advanced Payments. Article 5 of the Grant Agreement is hereby modified as follows (additions shown in double underline and deletions shown in ~~striketrough~~):

(i) Section 5.04(A) is hereby amended as follows:

A. Except as set forth in Section 5.06 below, City will disburse the Grant Amount to Grantee for eligible expenses incurred by Grantee on a cost reimbursement basis. Grantee shall submit to the City for approval a request for reimbursement (a "Funding Request") through MOHCD/OEWD's grants management system or other procedure prescribed by the City. Any unapproved Funding Requests shall be returned by the City to Grantee with a brief explanation why the Funding Request was rejected. If any such rejection relates only to a portion of eligible expenses itemized in a Funding Request, the City shall have no obligation to disburse any Grant Funds for any other eligible expenses itemized in such Funding Request unless and until Grantee submits a Funding Request that is in all respects acceptable to the City.

(ii) Section 5.06 is hereby added to the Grant Agreement as follows:

Section 5.06 – Advance Disbursement.

A. For purposes of this Section 5.06, the following definitions apply:

"Advance Amount" means an amount equal to \$10,500 multiplied by the highest estimated number of tenant households assisted in a single month during the Grant Period, but shall not exceed One Million Seven Hundred Thousand and No/100 Dollars (\$1,700,000.00).

“Advance Disbursement” means a single disbursement of the Funding Amount in advance of incurring any eligible expenses for the sole purpose of having funds available for rental assistance to eligible San Francisco tenants.

“Advance Disbursement Request Form” means the request form attached hereto as Exhibit 1 to Appendix A.

“Advance Repayment Amount” means an amount equal to the remaining balance of the Advance Amount after repayment of Grantee’s eligible expenses during the Advance Repayment Period.

“Advance Repayment Period” means the period starting on the Repayment Commencement Date and continuing until Grantee’s last disbursement request under this Agreement.

“Repayment Commencement Date” means the date that the remaining balance of the Funding Amount is less than the product of the approved Advance Amount multiplied by two (2).

B. Notwithstanding anything to the contrary contained herein, Grantee may request an Advance Disbursement up to the Advance Amount by submitting to the City a disbursement request under Section 5.04(G) with a complete Advance Disbursement Request Form, including any required worksheets, for the City’s prior written approval, in its sole and absolute discretion. The City reserves the right to approve or deny Grantee’s request for an Advance Disbursement on a modified basis, including, but not limited to, approving only a partial Advance Amount. If the City approves Grantee’s request for an Advance Disbursement, the City will make a disbursement under Section 5.04(H) of the approved Advance Amount.

C. Commencing after the Repayment Commencement Date, Grantee’s monthly disbursement requests under Section 5.04(G) shall provide that the Advance Amount has been reduced by no less than twenty-five percent (25%) of Grantee’s eligible expenses in the previous month, and up to the full amount of such disbursement request. During the Advance Repayment Period, the City’s obligation to disburse the Funding Amount to reimburse Grantee’s monthly eligible expenses is limited to no more than seventy five percent (75%) of the disbursement request until the Advance Amount has been fully expended or Grantee’s last disbursement request, including any extensions of the Term. In addition, during the Advance Repayment Period, Grantee’s disbursement request shall show the beginning balance of the Advance Amount, and the remaining balance of the Advance Amount after repayment of eligible expenses. If Grantee’s disbursement requests show that the Advance Amount will not be fully expended by the end of the Term, the City, in its sole and absolute discretion, may: (1) refuse to reimburse Grantee for any eligible expenses and require Grantee to increase the amount of eligible expenses repaid by the Advance Amount; and/or (2) require Grantee to make a payment to the City to reduce the remaining balance of the Advance Amount.

D. If Grantee cannot fully expend the Advance Amount by the end of the Term, including any extensions, Grantee shall submit payment of the Advance Repayment Amount to the City by the later of: (i) Grantee’s disbursement request for any other grant by MOHCD if applicable, or (ii) ten (10) days after the end of the Term. Grantee’s failure to submit the Advance Repayment Amount to the City shall be deemed an Event of Default under this Agreement, as well as an Event in Default under any other agreement between the City and Grantee, and City may exercise any remedies under Sections 14.02 and 14.03 of this Agreement.

- 2. Effective Date.** Each of the modifications set forth in Section 1 shall be effective on and after the date of this Amendment.

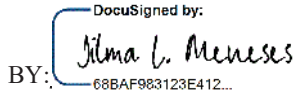
3. **Miscellaneous:** Except as expressly modified herein, the terms, covenants and conditions of the Grant Agreement shall remain in full force and effect. This Amendment constitutes the entire agreement of the parties concerning the subject matter hereof, and supersedes and conceals any and all previous negotiations, agreements, or understandings, if any, regarding the matters contained herein. The execution of this Amendment shall not constitute a waiver of relinquishment of any rights which the City may have relating to the Grant Agreement. The City and Grantee hereby ratify and confirm all of the provisions of the Grant Agreement as amended by this Amendment.

In witness whereof, the parties have executed this Amendment as of the date first written above.

**CITY AND COUNTY OF SAN
FRANCISCO,**
a municipal corporation

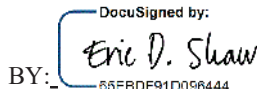
BY: 
LONDON N. BREED,
MAYOR

GRANTEE/CORPORATION:
Catholic Charities CYO of the Archdiocese of San
Francisco, a California nonprofit public benefit
corporation

BY: 
Print Name: Jilma L. Meneses
Title:

CEO

(If the person signing is NOT the Board President/
Chair or other officer authorized to execute legal
instruments under Grantee's Bylaws, Grantee
must provide City with a corporate resolution
pursuant to Section 19.07)

BY: 
ERIC D. SHAW, Director
Mayor's Office Of Housing And
Community Development

OR

BY: _____
MERRICK PASCUAL, Chief Financial Officer
Office of Economic and Workforce Development

APPROVED AS TO FORM:

DENNIS J.
HERRERA CITY
ATTORNEY

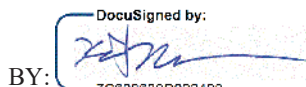
BY: 
Deputy City Attorney

EXHIBIT 1**COVER SHEET**

Subrecipient name:	Catholic Charities CYO of the Archdiocese of San Francisco
Subrecipient's unique entity identifier (DUNS):	07-465-4880
Federal award identification number (FAIN):	ERA0058
Federal award date:	1/8/2021
Subaward period of performance:	FY 2020-2021, 2021-2022
Amount of federal funds obligated by the action:	\$6,000,000.00
Total amount of federal funds obligated to the subrecipient:	\$6,000,000
Total amount of the federal award:	\$26,209,982.70
Federal award project description:	U.S. Treasury Emergency Rental Assistance Program to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic
Name of the federal awarding agency, PTE, and contact information for the awarding official:	U.S. Department of the Treasury
CDFA number and name:	21.023 – Emergency Rental Assistance Program

EXHIBIT 2

SCHEDULE 1 TO APPENDIX A Emergency Rental Assistance Program Advance Payment Request Form

Advance Amount: A calculated amount based on the projected monthly throughput of fully processed priority applications at full staffing level, or of households who will receive financial assistance (i.e., monthly throughput).

For example, if your projected monthly throughput is 50, then multiply this number by \$10,500 (estimated financial assistance amount per household) to get Advance Amount of \$525,000.

Complete attached worksheet to calculate Advance Amount.

Advance Repayment Period: The invoicing months during which Grantee begins applying a portion of expenses toward repaying Advance Amount.

This period starts when GMS balance drops below two times the Advance Amount. For example, if Advance Amount is \$525,000, then Advance Repayment Period will start in the month in which the GMS balance drops under \$1,050,000.

In monthly invoices starting in Advance Repayment Period, Grantee must document actual expenses and begin subtracting **Advance Repayment Installments** so that Advance Amount is fully repaid by final invoice.

Advance Payment Installments: For every month during Advance Repayment Period, 25% of that month's actual expenses must go toward fully repaying Advance Amount by no later than final invoice. Using the example above:

- April 2021 GMS balance drops below \$1,050,000
- April 2021 invoice
 - April expenses: \$400,000
 - Advance Payment Installment: \$100,000 (25% of April expenses)
 - April GMS invoice amount: \$300,000 (April expenses minus Advance Payment Installment)

Grantee agrees to the following:

- Follow the procedures above.
- Fully repay Advance Amount by no later than final invoice.
- If Advance Amount is not fully repaid by final invoice, Grantee shall return balance of Advance Amount to MOHCD via check.

Acknowledge that MOHCD will monitor Grantee spending