LORAIN DEVELOPMENT CORPORATION PY2015 SUBRECIPIENT AGREEMENT
Agreement

With

The City of Lorain, Ohio

And

Lorain Development Corporation

For

Administration of the City's Economic Development Business Loan Program

Contract No. A-15.27

Department: Building, Housing & Planning

Fund: EDA Title IX RLF & BDRLF (Professional Services)

Account: 2340-R225-6300-1600 and 2270-R227-6300-1600

This AGREEMENT is in effect from

START DATE 4/1/16 END DATE 3/31/16
The Board of Control Meeting was called to order at 4:01 p.m. by Mayor Chase Ritenauer. In attendance were Mayor Chase Ritenauer, Safety/Service Director Robert Fowler, Alex Berki, Sgt. Rick Soto, Phil Turske, Rick Payerchin with the Morning Journal and Louise Kilbane.

Item #1 - A request from Lorain Development Corporation authorizing the Safety/Service Director to enter into a Subrecipient Agreement with Lorain Development Corporation for an amount not to exceed $120,000.00 for the purpose of operating the City's loan funds and providing financial incentives to businesses.

Mayor Chase Ritenauer made the motion to approve this request; Safety/Service Director Fowler seconded the motion.

Roll Call: Mayor Chase Ritenauer-aye; Safety/Service Director Fowler-aye. Motion carried unanimously.

Item #2 - A request for approval from the Utilities-Black River WWTP to hire R.E. Warner & Associates, Inc. for engineering services needed for the purchase and installation of a traveling bar screen at the Black River WWTP in the amount of $39,000.00. R.E. Warner & Associates, Inc. will provide information research, equipment selection, field investigations, prepare bid & construction documents and assist in construction support services. This project has been budgeted and will be paid for from the Capital Outlay Facility Improvement Account.

Mayor Chase Ritenauer made the motion to approve this request; Safety/Service Director Fowler seconded the motion.

Discussion: EPA is more stringent in screening, this will bring them up to par. R.E. Warner was selected through the RFQ process.

Roll Call: Mayor Chase Ritenauer-aye; Safety/Service Director Fowler-aye. Motion carried unanimously.

Item #3 - A request for approval from the Director of Public Safety/Service to enter into a professional (legal) services agreement with Harvey, Abens and Issue Co., LPA for arbitration hearings, mediations, court hearings, labor relations,
disciplinary hearings and union negotiations through the remainder of 2015 in an amount not to exceed $110,000.00.

Mayor Chase Ritenauer made the motion to hold this item in abeyance; Safety/Service Director Fowler seconded the motion.

Roll Call: Mayor Chase Ritenauer-aye; Safety/Service Director Fowler-aye. Item has been held in abeyance.

Item #4 – A request for approval from the Lorain Police Department for the continued subscription to the CitizenObserver/tip411 Program in the amount of $6,500.00. This program enhances the safety of the citizens of Lorain. The attached quote is for time period of September 1, 2015 through August 31, 2017.

Mayor Chase Ritenauer made the motion to approve this request; Safety/Service Director Fowler seconded the motion.

Discussion: This is a subscription renewal request from a sole source vendor.

Roll Call: Mayor Chase Ritenauer-aye; Safety/Service Director Fowler-aye. Motion carried unanimously.

Item #5 – A request for approval from the Engineering Department to award to the lowest and best bidder, Mark Haynes Construction, Inc., the City of Lorain Black River Landing and Heron Rookery Habitat Restoration Project with a base bid of $772,270.00 and the alternate cost of $94,350.00 for the certified contract amount of $866,620.00. This work will be funded through grant funding received from the National Oceanic and Atmospheric Administration. Quote was also received from Eclipse Co., LLC in the amount of $1,280,874.60.

Mayor Chase Ritenauer made the motion to approve this request; Safety/Service Director Fowler seconded the motion.

Discussion: This grant funded item was placed out for bid, this is not a quoted price. City Council approved the award to the lowest and best bidder Mark Haynes Construction on June 1st by Ordinance 68-25.

Roll Call: Mayor Chase Ritenauer-aye; Safety/Service Director Fowler-aye. Motion carried unanimously.

Item #6 – A request for approval from the Engineering Department to amend Agreement 13-25 with Coldwater Consulting, LLC to include professional services for the Black River AOC Drum Removal and Restoration Project: Assessment and Design and the Lower Black River AOC Remediation and Restoration Program.
These projects will be funded by grants from the Fish and Wildlife Service and EPA. The total cost of professional services is not to exceed $4,775,000.00.

Mayor Chase Ritenauer made the motion to approve this request; Safety/Service Director Fowler seconded the motion.

Discussion: City Council approved that $275,000 will be for the AOC Drum Removal and Restoration project at their meeting on July 6th; the other $4,500,000 will be used for the $45 million grant that the EPA awarded to the city for grant administration.

Attached is an estimate as to cost and project length as it pertains to Professional Services.

Roll Call: Mayor Chase Ritenauer-aye; Safety/Service Director Fowler-a ye. Motion carried unanimously.

**Item #7** - A request for approval from the Utilities Administration to enter into agreement with Terminal Ready Mix for emergency repair service to a broken sanitary lateral at 2323 E Erie Avenue in the amount of $14,000.00. This lateral is approximately 20 feet deep and is too deep for our crews to excavate and repair safely with our current equipment. The total quote is $16,892.00 of which $2,892.00 will be paid from the Terminal Under The Street Patching Contract. Quote was also received from Diggers of Ohio, LLC - $17,010.00 (asphalt patching not included); no response from Underground Utilities.

Mayor Chase Ritenauer made the motion to approve this request; Safety/Service Director Fowler seconded the motion.

Roll Call: Mayor Chase Ritenauer-aye; Safety/Service Director Fowler-aye. Motion carried unanimously.

**Item #8** - A request for approval from the Engineering Department authorizing the Safety/Service Director to enter into a contract with the lowest and best bidder for the grass cutting, maintenance of landscaping, removal and disposal of debris for vacant lots, houses and other structures that are privately owned located in the area of South Lorain that will include all properties East of Broadway Avenue & East 28th Street and properties West of Broadway & South of West 33rd Street and Meister Road, in an amount not to exceed $50,000.00. The contractor will be determined at BOC Meeting.

Discussion: Both vendors submitted the same quote. The Safety/Service Director plans to enter into contracts with each of the vendors, Molnar Express Inc. and JBE Landscape Management LLC.
Mayor Ritenauer made a motion to award an amount not to exceed $25,000 to Molnar Express Inc.; Safety/Service Director Fowler seconded the motion.

Mayor Ritenauer made a second motion to award an amount not to exceed $25,000 to JBE Landscape Management; Safety/Service Director Fowler seconded the motion.

Roll Call: Mayor Chase Ritenauer-aye; Safety/Service Director Fowler-aye. Both motions carried unanimously.

**Item #9** – A request for approval from the Building, Housing & Planning Department to enter into a contract with Clark & Post Architects, Inc (Lorain, OH) to provide architectural designs and engineering services for work at Harbour House in Century Park in the amount of $6,000.00. Bids were also received from R.E. Warner & Assoc; SIXMO, Inc; and LDA Architects, Inc.

Mayor Chase Ritenauer made the motion to approve this request; Safety/Service Director Fowler seconded the motion.

Discussion: For the record, copies of the proposal (not bid) pages detailing the submittals provided by R.E. Warner & Associates, SIXMO, Inc. and LDA Architects, Inc. are attached. Clark & Post Architects is the lowest and best bidder.

Roll Call: Mayor Chase Ritenauer-aye; Safety/Service Director Fowler-aye. Motion carried unanimously.

**Item #10** – A request for approval from the Engineering Department to purchase one (1) new 2015 Ford Transit Connect XL Van from Liberty Ford in Vermilion, Ohio. A single van purchase price is $21,334.90 (see attached Exhibit B). State bid price for the same vehicle is $21,334.90 (see attached Exhibit A). Liberty Ford can provide the vehicle to the City in a couple of days versus ordering from state bid which could take approximately 4 to 6 months.

Mayor Chase Ritenauer made the motion to approve this request; Safety/Service Director Fowler seconded the motion.

Discussion: This is a request to purchase the second vehicle that the Engineering Department budgeted for this year. The price provided by Liberty Ford in Vermilion is the same price the State Vendor pricing but Liberty Ford can deliver the vehicle much quicker. Additional quotes were received but they were higher, copies attached.

Roll Call: Mayor Chase Ritenauer-aye; Safety/Service Director Fowler-aye. Motion carried unanimously.
Safety/Service Director Fowler made the motion to adjourn; Mayor Ritenauer seconded the motion. Roll call: Safety/Service Director-aye; Mayor Chase Ritenauer-aye. Motion carried unanimously. Board of Control Meeting of July 14, 2015 adjourned at 4:23 p.m.

[Signature]

Prepared by Louise Kilbane
Exec. Assistant to Mayor Chase Ritenauer

[Signature]

Chase Ritenauer, Mayor
City of Lorain, Ohio
SUBRECIPIENT AGREEMENT

Between the City of Lorain
and the
Lorain Development Corporation
For the Administration of the City’s Economic Development Business Loan Program

THIS AGREEMENT effective the first day of April 2015 by and between the City of Lorain, Ohio (hereinafter referred to as the “Grantee”), and the Lorain Development Corporation, (hereinafter referred to as the “Subrecipient”).

WHEREAS, the Grantee has applied for and received funds from the United States Government under Title I of the Housing and Community Development Act of 1974 as amended, Public Law 93-383; and

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing such funds;

NOW, THEREFORE, IT IS AGREED BETWEEN THE PARTIES HERETO THAT:

I. Scope of Service

A. Activities

The Subrecipient will be responsible for administering the City’s Economic Development Business Loan Program in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant Program, EDA, UDAG, and other State and Federal business assistance programs as they are made available to the City and approved by the Lorain Development Corporation:

1. Provide direct assistance to business owners and/or developers, through the use of approved application forms, to determine the eligibility to participants in the City’s Programs; and

2. Analyze all loan applications to determine the projects’ merit and to insure all program requirements are met; to determine the eligibility of the applicant and the most appropriate program for funding; and

3. Assess the financial and management conditions of the applicant’s business, including analyzing the business and the principals’ credit; and

4. Prepare a loan officer’s report summarizing the complete financial and credit analysis which includes information on the history of the business, management abilities, market, and weaknesses and strengths of the applicant; and
5. Establish terms and conditions of the business loan; negotiate with various financial lenders and borrowers;

6. Review, approve or disapprove all loan applications presented to the Board;

7. Prepare all loan documents for approved business loans/submit to statutory contracting officer ("Safety/Service Director") for approval and execution of all necessary documents; and

Provide financial counseling and referrals to the applicants, prescribe financial management actions necessary for loans approval; and

9. Provide an amortization schedule and details of business loan; and

10. Provide and maintain a collection policy for delinquent business loans; and

11. Accompany Director of Building, Housing and Planning or Department staff to business meetings in assisting companies to obtain City financial assistance which may exceed the existing Lorain Development Corporation (Corp.) financing guidelines; and

12. Provide the required reports and record keeping required by the governmental programs and agencies from which the Corp. derives its funds for business loans and staff costs. These reports and record keeping requirements include, but may not be limited to the following:

   a. Provide information for preparation by the City of Lorain Community Development Block Grant (CDBG) Grantee Performance Report (GPR) or Consolidated Annual Performance Report (CAPER), which deal with the business loan and staffing activities of the Corp., said information to be provided to the City by February 28 of each year during which this Agreement is in effect; and

   b. The CDBG required annual job survey of business which received business loans from the Corp. from CDBG funds; and

   c. Semi-annual and annual reports to the U.S. Department of Commerce, Economic Development Administration (EDA) required to track progress on business loans derived from the EDA Title IX Revolving Loan Fund Programs (RLF), the semi-annual report being due by October 30, of each year during which this Agreement is in effect, and the annual report being due on April 30, of each year during which this Agreement is in effect.

13. Attend business retention meetings with local businesses, along with Building, Housing and Planning Department staff, as a way of becoming acquainted with the owners and managers of local businesses and disseminating information about the variety of business assistance available from the Corp. and the City of Lorain; and
14. Attend workshops and seminars in order to acquire knowledge to assist in the development of the loan application; and to update skills and develop new techniques; and

15. Analyze and review all requests for the release, subrogation, or modification of collateral pledged as security for loans previously approved by Subrecipient and to recommend to the Safety/Service Director for his approval, in certain instances such approval may be withheld for a period permitting a review by the City Law Department, if deemed necessary, such releases of collateral, subrogation of collateral, or modification of collateral rights, as the Subrecipient deems appropriate.

16. The Executive Director shall request a written review of the proposed loan approval from the Building, Housing and Planning Director and/or his approved designee in respect to the loan eligibility under the CDBG and/or EDA regulations, regarding job creation, underwriting criteria, as well as it meeting all pertinent federal rules and regulations. The Building, Housing and Planning Department’s written response shall accompany the loan board’s executive director’s recommendation for City funding approval.

N. Perform such additional activities, as the City deems necessary and reasonable in furtherance of the loan program activities according to local, state and federal regulations, which are approved by the Board of Directors of the Lorain Development Corporation.

B. National Objectives

The Subrecipient certifies that the activities carried out with funds provided under this Agreement will meet one or more of the CDBG program’s National Objectives:

1) benefit low/moderate income persons,
2) aid in the prevention or elimination of slums or blight,
3) meet community development needs having a particular urgency -- as defined in 24 CFR Part 570.208.

C. Performance Monitoring

The Grantee will monitor the performance of the Subrecipient against goals and performance standards required herein. Substandard performance as determined by the Grantee will constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the Grantee, contract suspension or termination procedures will be initiated.

II. Time of Performance

Services of the Subrecipient shall start on the first day above written and end on the 31st day of March 2016. The term of this Agreement and the provisions herein shall be extended to cover any additional time period, during which the Subrecipient remains in
V. Notices

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

**Grantee**
City of Lorain, Ohio  
Leon Mason, Director  
Building Housing and Planning Department  
200 West Erie Avenue, Fifth Floor  
Lorain, Ohio 44052  
(440) 204-2020  
(440) 204-2080 Fax

**Subrecipient**
Lorain Development Corporation  
Douglas Rangel, Executive Director  
Lorain Development Corporation  
200 West Erie Avenue, Fifth Floor  
Lorain, Ohio 44052  
(440) 204-2069  
(440) 204-2080 Fax

VI. General Conditions

A. General Compliance

The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)). The Subrecipient also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. Independent Contractor

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all time remain an “independent contractor” with respect to the services to be performed under this Agreement.

The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers’ Compensation Insurance as the Subrecipient is an independent subrecipient.

C. Hold Harmless

The Subrecipient shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient’s performance or nonperformance of the services or subject matter called for in this Agreement.
D. Workers' Compensation

The Subrecipient shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this contract.

The Subrecipient shall ensure that any contractors engaged by the Subrecipient will provide Workers' Compensation Insurance for all its employees involved in the performance of this contract. The Subrecipient will request a certificate of proof from contractors, which Subrecipient will provide to the City upon request.

E. Insurance and Bonding

The Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to the theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the Grantee. The Subrecipient shall comply with the bonding and insurance requirements of OMB Circular A-110, Bonding and Insurance.

F. Grantor Recognition

The Subrecipient shall insure recognition of the grantor agency in providing services through this contract. All activities, facilities and items utilized pursuant to this contract shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this contract.

G. Amendments

The Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing and signed by a duly authorized representative of both organizations. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this Agreement.

The Grantee may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendment results in a change in the funding, the scope of services, or schedule of activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Grantee and Subrecipient.

The authority of the Service Director may extend the contract term and contract dollars amount as long as the additional expenditures under this contract do not exceed $10,000.00 and there is adequate additional funding available.
H. Suspension or Termination

Either party may terminate this contract at any time by giving written notice to the other party of such termination and specifying the effective date thereof at least 30 days before the effective date of such termination. Partial termination of the Scope of Service in Paragraph I (A) above may only be undertaken with the prior approval of the Grantee. In the event of any termination for convenience, all finished or unfinished documents, data, studies, surveys, maps, models, photographs, reports or other materials prepared by the Subrecipient under this Agreement shall, at the option of the Grantee, become the property of the Grantee, and the Subrecipient shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents or materials prior to the termination.

The Grantee or Subrecipient may also suspend or terminate this Agreement, in whole or in part, if the Subrecipient materially fails to comply with any term of this Agreement, or with any of the rules, regulations or provisions referred to herein; and the Grantee may declare the Subrecipient ineligible for any further participation in the Grantee's contracts, in addition to other remedies as provided by law. In the event there is probable cause to believe the Subrecipient is in noncompliance with any applicable rules or regulations, the Grantee may withhold up to fifteen (15) percent of said contract funds until such time as the Subrecipient is found to be in compliance by the Grantee, or is otherwise adjudicated to be in compliance.

VII. Administrative Requirements

A. Financial Management

1. Accounting Standards

The Subrecipient agrees to comply with OMB Circular A-110 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The Subrecipient shall administer its program in conformance with OMB Circulars A-122, “Cost Principles for Non-Profit Organizations,” or A-21, “Cost Principles for Educational Institutions,” as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record Keeping
1. **Records to be Maintained**

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506, which are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

a. Records providing a full description of each activity undertaken;
b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
c. Records required to determine the eligibility of activities;
d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
f. Financial records as required by 24 CFR Part 570.502, and OMB Circular A-110; and
g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

2. **Retention**

The Subrecipient shall retain all records pertinent to expenditures incurred under this contract for a period of three (3) years after the termination of all activities funded under this Agreement. Records for non-expendable property acquired with funds under this contract shall be retained for three (3) years after final disposition of such property. Records for any displaced person must be kept for three (3) years after he/she has received final payment. Notwithstanding the above, if there are litigation claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the three-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the three-year period, whichever occurs later. In addition to the above, the Subrecipient shall keep and maintain records in conformance with Chapter 149 of the Ohio Revised Code.

3. **Client Data**

The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request.
4. **Loan Documents**

The Subrecipient shall maintain all original loan documents at a safety depository located within the City of Lorain. Upon the closing of all loans copies of all loan documents shall be furnished to the (1) Building, Housing and Planning Department, and (2) the City Auditor’s Office. The records of the Loan Board, including all original records of loan documents, worksheets, notes and papers of any kind used by the Board or any of its employees are acknowledged to be the property of the City of Lorain, Ohio.

5. **Close-outs**

The Subrecipient’s obligation to the Grantee shall not end until all closeout requirements are completed. Activities during this closeout period shall include, but not be limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records.

6. **Audits and Inspections**

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, their designees or the Federal Government, at any time during normal business hours, as often as the Grantee or grantor agency deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of the contract and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning subrecipient audits and, as applicable, OMB Circular A-133.

C. **Reporting and Payment Procedures**

1. **Program Income**

The Subrecipient shall report quarterly all program income as defined at 24 CFR 570.500 (a) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Subrecipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balance on hand. All unused program income shall be
returned to the Grantee at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury is not program income and shall be remitted promptly to the Grantee.

2. **Indirect Costs**

If indirect costs are charged, the Subrecipient will develop an indirect cost allocation plan for determining the appropriate Subrecipient’s share of administrative costs and shall submit such plan to the Grantee for approval, in a form specified by the Grantee.

3. **Payment Procedures**

The Grantee will pay to the Subrecipient funds available under this contract based upon information submitted by the Subrecipient and consistent with any approved budget and Grantee policy concerning payments. Payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Subrecipient.

4. **Progress Reports**

The Subrecipient shall submit written Progress reports to the Grantee in the form, content, and frequency as required by the Grantee.

D. **Procurement**

1. **Compliance**

The Subrecipient shall comply with current Grantee policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the Grantee upon termination of this contract.

2. **OMB Standards**

The Subrecipient shall procure all materials, property, or services in accordance with the requirements of OMB Circular A-110, Procurement Standards, and shall subsequently follow Attachment N, Property Management Standards as modified by 24 CFR 570.502 (b) (6), covering utilization and disposal of property.

3. **Travel**

The Subrecipient shall obtain written approval from the Grantee for any travel outside the metropolitan area with funds provided under this contract.
VIII. Relocation, Real Property, Acquisition, and One-for-One Housing Replacement

The Subrecipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606 (b); (b) the requirements of 24 CFR 570.606 (c) governing the Residential Antidisplacement and Relocation Assistance Plan under Section 104 (d) of the HCD Act; and (c) the requirements in 24 CFR 570.606 (d) governing optional relocation policies. The Subrecipient shall provide relocation assistance to persons (families, individuals, businesses, nonprofit organizations and farms) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG assisted project. The Subrecipient also agrees to comply with applicable Grantee ordinances, resolutions and policies concerning the displacement of persons from their residences.

IX. Personnel and Participant Conditions

A. Civil Rights

1. Compliance

The Subrecipient agrees to comply with Ordinance No. 165-85 and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104 (b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11375 and 12086.

2. Nondiscrimination

The Subrecipient will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance. The Subrecipient will take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602. In regard to the sale, lease, or other
transfer of land acquired, cleared or improved with assistance provided under this contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 706), which prohibits discrimination against the handicapped in any Federally assisted program. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this contract.

B. Affirmative Action

1. Approved Plan

The Subrecipient agrees that it shall be committed to carry out pursuant to the Grantee's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965. The Grantee shall provide Affirmative Action guidelines to the Subrecipient to assist in the formulation of such program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

2. W/MBE

The Subrecipient will use its best efforts to afford minority-and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the term "minority and female business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

The Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will
permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The Subrecipient will send to each labor union or representatives of workers with which it has a collective bargaining agreement or other contract a notice, to be provided by the agency contracting officer, advising the labor union or worker’s representatives of the Subrecipient’s commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. EEO/AA Statement

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient; state that it is an Equal Opportunity or Affirmative Action employer.


The Subrecipient will include the provisions of Paragraphs IX (A), Civil Rights, and (B), Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipient or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities, sectarian or religious activities, lobbying, political patronage, and nepotism activities.

2. Labor Standards

The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act, the Copeland “Anti-Kickback” Act (40 U.S.C. 276 a-276 a-5; 40 USC 237 and 40 USC 276 c) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this contract. The Subrecipient shall maintain documentation, which demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.
The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of $2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the Grantee pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers, provided, that if wage rates higher than those required under regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3. “Section 3” Clause
   a. Compliance

Compliance with the provisions of Section 3, the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the Grantee, the Subrecipient and any of the Subrecipient’s subrecipients and subcontractors. Failure to fulfill these requirements shall subject the Grantee, the Subrecipient and any of the Subrecipient’s subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Subrecipient certifies and agrees that no contractual or other disability exists which would prevent compliance with these requirements.

The Subrecipient further agrees to comply with these “Section 3” requirements and to include the following language in all subcontracts executed under this Agreement:

“The work to be performed under this contract is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low-and very low-income residents of the project area and contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low-and very low-income persons residing in the metropolitan area in which the project is located.”

The Subrecipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low-and very low-income persons residing within the metropolitan area in which
the CDBG funded project is located; where feasible, priority should be given to business concerns which provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which CDBG funded project is located; where feasible, priority should be given to business concerns which provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Subrecipient certifies and agrees that no contractual or other legal incapacity exists which would prevent compliance with these requirements.

b. Notifications

The Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employee and applicants for employment or training.

c. Subcontracts

The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Subrecipient shall not assign or transfer any interest in this contract without the prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the Subrecipient from the Grantee under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Subcontracts
a. Approvals

The Subrecipient shall not enter into any subcontracts, other than as previously mentioned in this Agreement, with any agency or individual in the performance of this contract without the written consent of the Grantee prior to the execution of such agreement.

b. Monitoring

The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The Subrecipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of the Agreement.

d. Selection Process

The Subrecipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

3. Hatch Act

The Subrecipient agrees that no funds provided, nor personnel employed under this contract, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V United States Code.

4. Conflict of Interest

The Subrecipient agrees to abide by the provisions of 24 CFR 570.611 with respect to conflicts of interests, and covenants that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. The Subrecipient further covenants that in the performance of this Agreement no person having such a financial interest shall be employed or retained by the Subrecipient hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the Grantee, or of any designated public agencies or subrecipients which are receiving funds under the CDBG Entitlement program.
5. **Lobbying**

The Subrecipient hereby certifies that:

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

b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions;

c. It will require that the language of paragraph (d) of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreement) and that all subrecipients shall certify and disclose accordingly;

d. **Lobbying Certification -- Paragraph d**

   This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000.00 and not more than $100,000.00 for each such failure.

6. **Copyright**

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

The Subrecipient also retains a perpetual, royalty-free, non-exclusive right to practice any licensed patents or copyrights and to use the license or copyright information for research, testing and educational purposes for the Subrecipient agency.
7. **Religious Organization**

The Subrecipient agrees that funds provided under this contract will not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization in accordance with the Federal regulations specified in 24 CFR 570.200 (j).

8. **Americans with Disabilities Act**

The Subrecipient warrants that it is in compliance with the Americans with Disabilities Act, 42 U.S.C. 12101 et seq., and that the Subrecipient will in carrying out the requirements of the agreement, comply in all respects with the provisions of the Act and its implementing regulations.

X. **Environmental Conditions**

A. **Air and Water**

The Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this contract:

- Clean Air Act, 42 U.S.C., 7401, et seq.
- Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. **Flood Disaster Protection**

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

C. **Lead-Based Paint**

The Subrecipient agrees that any construction or rehabilitation of residential structure with assistance provided under this contract shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24CFR Part 35. Such regulations pertain to all HUD assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level...
screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken.

D. Historic Preservation


In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

XI. Severability

If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

THIS SECTION WAS INTENTIONALLY LEFT BLANK.
Exhibit A

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CITY OF LORAIN:

By: ________________________________
    Robert M. Fowler, Director
    Department of Public Safety/Service
    Authorizing Signature

LORAIN DEVELOPMENT CORPORATION:

By: ________________________________
    Douglas Rangel, Executive Director
    Lorain Development Corporation
    Recommending Signature

By: ________________________________
    Robert Ellis, President
    Lorain Development Corporation

By: ________________________________
    City of Lorain Law Department
    Approved as to form

ATTEST:

By: ________________________________
    Cheryl A. Robinson

By: ________________________________
    Michelle Ramos

By: ________________________________
    Douglas Rangel

By: ________________________________
    Don Z. Little
Certifications and Approvals

I hereby certify that the approximate cost of this contract is $120,000.00

[Signature], 2015

Director or Elected Official

Auditor’s Certification

I hereby certify that the money required to meet the foregoing contract, agreement or obligation, in the sum of the above-mentioned amount has been lawfully appropriated or authorized or directed for such purpose and is in the process of collection to the credit of the ________ Fund free from any previous outstanding obligation.

8/17/2015

[Signature]  
Auditor/Deputy Auditor

AGD 17 @11:39

I hereby certify that this Agreement is correct as to form.

8/17/2015

[Signature]  
Law Director

I hereby certify that this Agreement was approved by the Board of Control on 7/14/2015.

[Signature]  
Clerk of the Board of Control

This Agreement was compiled by: Douglas Rangel, Loran Development Corp. (name)  
Department