

**RENTAL PROJECT OWNER, SPONSOR, DEVELOPER AGREEMENT
HOME INVESTMENT PARTNERSHIPS PROGRAM**

AN AGREEMENT, by and between Kitsap County hereinafter referred to as “County” and the **City of Poulsbo**, a Washington municipal corporation, as project owner, sponsor or developer, hereinafter referred to as “Contractor” or “Subgrantee” by which the Contractor or Subgrantee agrees to carry out specific activities under Kitsap County’s HOME Investment Partnership Program and establishing certain other terms and conditions of operation.

IN ADDITION TO THE TERMS AND CONDITIONS OF THIS AGREEMENT, the parties acknowledge that the following attachments, which are attached to this Agreement, are expressly incorporated by this reference.

ATTACHMENTS

- Attachment A – Budget Summary
- Attachment B – Certification Regarding Debarment, Suspension, and Other Responsibility Matters
- Attachment C – Certification Regarding Lobbying

IT IS MUTUALLY AGREED AS FOLLOWS:

ARTICLE I. PROJECT

SECTION 1. SCOPE OF SERVICES

The County, as recipient of HOME funds from the United States Department of Housing and Urban Development (HUD), hereby designates the Contractor or Subgrantee to undertake, and the Contractor or Subgrantee hereby agrees to undertake, subject to the terms of Article I Section 4 of this contract, the activities specifically described in the application and summarized below:

A. General Statement:

HOME funds will be used to construct eight (8) units of rental housing called Nordic Cottages, located in the City of Poulsbo. The property will serve seniors (age 55 and older) and individuals with disabilities, with incomes at or below 30% of the area median income for Kitsap County. The project will consist of two buildings, each with four units; all 1-bedroom. All eight units will receive project- based Section 8 vouchers from Bremerton Housing Authority and three (3) units will be designated as fixed Low HOME Rent units.

B. The Contractor or Subgrantee shall:

1. *Use 24 CFR Part 5 (Section 8) definition of Income for household eligibility determination of HOME units.*

2. *Ensure the selected construction contractor(s) are not on the federal debarment list.*
3. *Follow Section 3 of the Housing and Urban Development Act of 1968 regulatory requirements in hiring for the project and submit required documentation at the start of construction.*
4. *Maintain the accessible units (1 mobility and sensory and 1 mobility) as accessible meeting the requirements of the Fair Housing Act and Uniform Federal Accessibility Standards throughout the affordability period and market the units to maximize the opportunity for persons with disabilities to rent the units.*
5. *Contract with Housing Kitsap to act as the developer for the project and provide property management services once the project is complete.*
6. *All units will have project-based vouchers and will be serving households at or below 30% Area Median Income for Kitsap County. Therefore, the 3 HOME units will be designated as fixed Low HOME Rent units and must meet the income and rent restrictions for the units at lease up and through the period of affordability.*
 - a. *Designated Units – One lower level unit, mobility and sensory accessible (Unit B, 609 NE Lincoln Road Building A), one lower level unit, mobility accessible (Unit B, 603 NE Lincoln Road Building B), and one upper level unit (Unit C, 609 NE Lincoln Road Building A).*
7. *Follow HOME rent requirements for all HOME units as described below. Rents are determined by HUD and published annually for Kitsap County (Bremerton-Silverdale MSA). Initial rent will be based on published rents in affect at the time of project lease-up. HOME rent limits include utilities. All utilities are being paid by City of Poulsbo (by Housing Kitsap as the property manager), so no deductions for tenant-paid utilities are required from the published HOME rents to determine the maximum rents that can be charged for a HOME assisted unit.*
 - a. *Allowable Rents for units with project based rental assistance.*
 - i. *Low HOME Rent Limits - The project-based rent may be charged for any unit that qualifies as a Low HOME unit:*
 1. *Receives project-based rent assistance.*
 2. *Is occupied by a very low-income tenant; and*
 3. *The tenant household pays no more than 30% of its adjusted monthly income toward rent.*
 - ii. *High HOME Rent Limits – The High HOME Rent limit is the maximum that can be charged for any unit that must be redesignated as a High HOME Rent unit due to an increase in tenant income over the very-low-income limit.*
 1. *Requires the unit be redesignated as a High HOME Rent unit.*
 2. *Rent must be adjusted up to **no more** than the High HOME Rent limit, even if this rent is less than the project-based rent.*
8. *Utilize the HOME Income Limits (updated annually) to determine tenant’s initial income eligibility and annual recertification. Households must be at or below the very low-income limit (at or below 30% AMI).*
9. *Submit project rent schedule, including proposed rent increases, annually throughout the period of affordability. The Kitsap County Block Grant Program must approve the initial rent schedule and then annually thereafter.*
10. *Prior to rent-up, provide for review and approval: the lease (including all addendums), management plan, tenant selection policies and marketing plan.*

11. Record the Low-Income Housing Covenant – HOME funds in this project are subject to affordability restrictions pursuant to 24 CFR 92.252. The affordability restriction will be enforced through the Low-Income Housing Covenant recorded on the property. This restriction will assure rent affordability for Twenty (20) years to very low-income households who are homeless or at risk of homelessness, with incomes at or below 30% of the area median income for Kitsap County.
12. Participate in Period of Affordability Monitoring. This includes annual submittal to the Kitsap County Block Grant Program the Rent and Occupancy Report, Certification of Suitable Occupancy, Rent Approval form, and any changes to the lease, management plan, or marketing plan. An annual monitoring fee may be charged.
13. Conduct marketing and advertising activities in accordance with applicable fair housing laws providing the opportunity for all eligible applicants to rent the HOME assisted units.
14. Maintain a project wait list, in chronological order by application date.
15. Provide documentation of 25% match requirement for HOME funds.
16. Notify County Block Grant Program staff immediately of any modifications to proposed project scope of work or schedule changes.
17. Make annual contributions to the reserve accounts from net cash flow. Funds in the reserve accounts are restricted for their intended use.

SECTION 2. PROJECT DESCRIPTION

<i>Project Details</i>	
Project Name:	Nordic Cottages
Funded Amount:	\$400,000
Action Plan Year:	2023
Type of Project:	New Construction
Service Area:	City of Poulsbo
Tax Parcel Number:	232601-2-132-2005
Project Address/Location:	609 NE Lincoln Road, Poulsbo, WA 98370
<i>Eligibility</i>	
Activity Category:	Rental Housing
Basic Eligible Activity Citation:	24 CFR 92. 205(a)(1)
Setup Activity Type:	New Construction
Strategic Plan Objective and Strategy:	Preserve and Increase Affordable Housing
<i>HUD Performance Measures</i>	
HUD Objective of Activity:	Decent Housing
HUD Outcome:	Affordability
<i>Federal Contract Requirements – 2 CFR Part 200</i>	
Unique Entity Identifier Number:	TW1DGWK6J8A5
Federal Award Identifier Number (FAIN)	M23DC530205
Research or Development Contract:	No
Indirect Cost (IDC) Rate for Federal Award:	
<input type="checkbox"/> Approved Rate	%
<input type="checkbox"/> De Minimis for IDC Rate	
<input checked="" type="checkbox"/> Not Applicable	

SECTION 3. SCHEDULE FOR COMPLETION (specific milestones)

Specific Tasks	Start Date	End Date
NEPA Environmental Review – Authority to Use Grant Funds		2/21/24
Zoning & Site Plan Approval	2022	
General Contractor Selection	7/2024	9/2024
Market Study	1/1/24	6/30/24
Final Plans and Specs Completed	2022	12/2023
Building Permits	2022	8/1/2024
Construction	10/1/24	9/30/25
Certificate of Occupancy		9/15/25
Lease up	8/1/2025	10/30/25
Project Closeout – submission of HOME Completion Report and final inspection.	10/1/25	12/31/25
Period of Affordability (20 years from closeout)		12/31/45

In accordance with 24 CFR 92.205(e), a project that is terminated before completion, either voluntarily or involuntarily, requires the repayment of HOME funds to the County. If the project is not completed within 4 years of the date of execution of this Agreement, the project will be considered terminated pursuant to 24 CFR 92.205(e)(2), and any HOME funds disbursed for the project must be repaid to the County. In accordance with 24 CFR 92.252, HOME-assisted units in a rental housing project must be occupied by eligible tenants within 18 months after completion. If such units are not occupied within that time, HOME funds must be repaid to the County.

SECTION 4. TERM OF AGREEMENT

Subject to its other provisions, the period of performance of this Agreement shall commence upon EXECUTION of this Agreement and is in effect through the period of affordability described in Article I Section 6. Close out of funds will occur when project specific activities described above are complete, but at most within 48 months of the execution date of this Agreement. The date of close out of funds may be changed through a general amendment of this Agreement hereafter executed which shall be appended hereto and incorporated herein. Such amendment must be made under the provisions of Article V, Section 9 (Amendments to Agreement.)

SECTION 5. PROJECT REQUIREMENTS

The Contractor or Subgrantee shall carry out each activity in compliance with all applicable Federal laws and regulations, including those described in Subparts F and H of 24 CFR 92, regardless whether the law or regulation is specifically stated in this Agreement.

SECTION 6. AFFORDABILITY

The Contractor or Subgrantee shall comply with requirements of 24 CFR 92.252, relating to affordability for rental housing projects. The housing assisted with HOME funds under this Agreement will remain affordable for **Twenty (20) years** beginning after project completion. In the event the housing does not meet the affordability requirements for the specified time period, the Contractor or Subgrantee shall repay to the County all HOME funds expended on the project. During the affordability period, all conditions specified in this Agreement must be satisfactorily fulfilled. Affordability requirements must be enforced by deed restrictions or recorded covenants or other mechanisms approved by HUD. The mechanism used to enforce affordability shall also include requirements that the County is notified prior to sale of the property or prior to changes in the deed restrictions or covenants prior to execution.

SECTION 7. PROPERTY STANDARDS

The Contractor or Subgrantee shall ensure that housing assisted with HOME funds is decent, safe, sanitary, and in good repair. In accordance with 24 CFR 92.251, housing that is newly constructed or substantially rehabilitated with HOME funds will meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances and the HUD requirements under 24 CFR 92.251.

The Contractor or Subgrantee, as owners of rental housing assisted with HOME funds, shall maintain the housing in compliance with applicable state and local housing standards or code requirements through the affordability period as set forth in Article I, Section 7 (Affordability).

Owners of rental housing assisted with HOME funds agree to maintain the housing in compliance with 24 CFR 92.251 for the duration of the affordability period.

ARTICLE II. PROGRAM RECORDS/REPORTS

SECTION 1. RECORDS

The Contractor or Subgrantee shall compile and maintain as applicable the following records:

- (A) Financial Management Records - Such records shall adequately identify the source and application of funds for activities within this Agreement, in accordance with the provisions of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. These records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.

- (B) Project Records - The following project information must be kept on each HOME assisted project in written record form:

A full description of each project assisted with HOME funds, including the location, form of HOME assistance, and the units or tenants assisted with HOME funds. The source and application of funds for each project, including supporting documentation in accordance with 24 CFR 85.20. Data on equal opportunity and fair housing records; records regarding affirmative marketing and MBE/WBE requirements as required by 24 CFR 92.508(7).

Contractor or Subgrantee records must demonstrate that each rental housing project meets the requirements of 24 CFR 92.252 and/or 24 CFR 92.250 for the required period of affordability.

Contractor or Subgrantee records must demonstrate compliance with the requirements of 24 CFR 92.253 for tenant and participant protections, if applicable.

Contractor or Subgrantee records must demonstrate that each project meets the property standards of 24 CFR 92.251 and the lead based paint requirements of 24 CFR 92.355.

Contractor or Subgrantee records must demonstrate compliance with the requirements in 24 CFR 92.252 for affordable housing, rental, including rent limitations, initial rent schedules and utility allowances, affordability period, subsequent rents during the affordability period, tenant income, over-income tenants, fixed and floating HOME units, tenant selection, and ongoing responsibilities. Individual records must be kept for each family assisted. Records demonstrating that each family is income eligible in accordance with 24 CFR 92.203.

Contractor or Subgrantee records must indicate whether the project is mixed-income, mixed-use, or both.

- (C) Relocation - Contractor or Subgrantee record keeping must comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 24 CFR Part 42, 49 CFR part 24, and 24 CFR 92.353. Indication of the overall status of the relocation workload and a separate relocation record for each person, business, organization, and farm operation displaced in the relocation workload must be kept.
- (D) Equal Opportunity - The Contractor or Subgrantee shall maintain racial/ethnicity, persons with disabilities, and gender data showing the extent to which these categories of persons have participated in, or benefited from, the activities carried out under this Agreement. The Contractor or Subgrantee shall also maintain data which records its affirmative action in equal opportunity employment, and its good faith efforts to identify,

train, and/or hire lower-income residents of the project area and to utilize business concerns which are located in or owned in substantial part by persons residing in the area of the project.

- (E) Labor Standards - Records shall be maintained regarding compliance of all contractors performing construction work under this Agreement with the labor standards made applicable by 24 CFR 92.354.
- (F) Miscellaneous Records - The Contractor or Subgrantee shall maintain such other records as may be required by 24 CFR 92.508, HUD and/or the County.

SECTION 2. REPORTS

The Contractor or Subgrantee shall submit such reports as required by the County to meet its local obligations and its obligation to the Department of Housing and Urban Development. The County will prescribe the report format, as well as the time and location for submission of such reports. Required reports may include but are not limited to the following:

- (A) Quarterly reports which shall include the progress made to date, or justification for lack of progress, in providing the services specified in Article I Section 1 of this Agreement according to the schedule for completion in Article I Section 3 of the Agreement.
- (B) Quarterly reports on income information regarding persons assisted by the Contractor or Subgrantee through this Agreement.
- (C) Quarterly reports regarding affirmative action in equal opportunity employment to the County beginning no later than the fifth working day following the end of the quarter.
- (D) Contractor or Subgrantee, as owners of HOME-assisted rental units, must annually provide the County with information on rents and occupancy of HOME-assisted units to demonstrate compliance with 24 CFR 92.252(f)(2).
- (E) Close out reports including a final performance report, inventory of all property acquired or improved with HOME funds, and final financial report, upon termination or completion of the project.
- (F) HOME Completion Reports reporting the demographics of each household served by HOME funds, upon submission of the final draw.
- (G) Miscellaneous Reports - The Contractor or Subgrantee shall maintain such other reports as may be required by HUD and/or the County.

SECTION 3. RETENTION OF RECORDS

Records required in connection with this Agreement shall be retained for a period of six (6) years after the period of affordability described in Article I Section 6 (Affordability) has ended, except that any records that are the subject of an audit or dispute shall be retained for

six (6) years after all issues arising from that audit or dispute have been resolved.

ARTICLE III. FINANCIAL CONDITIONS

SECTION 1. BUDGET AND COMPENSATION

The County shall reimburse the Contractor or Subgrantee its allowable costs for the services identified in this Agreement in an amount not to exceed **four hundred thousand dollars (\$400,000)**, upon presentation of properly executed invoices in a form approved by the County. Project must be complete within 60 days of the final request.

Such reimbursement shall constitute full and complete payment by the County under this Agreement. Allowable costs shall mean those necessary and proper costs identified in the Contractor or Subgrantee's application and approved by the County, unless any or all such costs are disallowed by the State of Washington or the United States.

Any reimbursements made under this Agreement must comply with the requirements of 2 CFR Part 200, Subpart D. The Contractor or Subgrantee may not request disbursement of funds under this Agreement until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed.

Budget Summary: See Attachment A for Budget Summary

Time of Payment: Payment shall be made upon receipt of reimbursement request voucher emailed to: Bonnie Tufts btufts@kitsap.gov or Shannon Bauman sbauman@kitsap.gov.

Where Payments Are Made: Payments shall be made to Contractor: **City of Poulsbo, 200 NE Moe Street, Poulsbo, WA 98370.**

The Contractor or Subgrantee shall apply the funds received from the County under this Agreement in accordance with the Budget Summary outlined in Attachment A. Any line-item expense, by itself or in combination with other line item expense change, equal to or greater than 10% of the total budget amount over the life of the Agreement shall require a formal amendment to the Agreement. Any request for a line-item expense, by itself or in combination with other line item expense change, equal to or less than 10% of the total budget shall be submitted in writing and shall specifically state the reasons for the requested increase and a justification for the corresponding decrease in other line-item(s). All budget revisions and/or amendment requests will be reviewed and approved or denied by the County.

SECTION 2. DOCUMENTATION OF COSTS AND OTHER FINANCIAL REPORTING

All costs shall be supported by properly executed payrolls, time records, invoices, vouchers or other official documentation, as evidence of the nature and propriety of the charges. All accounting documents pertaining in whole or in part to this Agreement shall be clearly identified and readily accessible, and upon reasonable notice, the County and United States shall have the right to audit the records of the Contractor or Subgrantee as they relate to the work. The Contractor or Subgrantee shall also:

- (A) Maintain an effective system of internal fiscal control and accountability for all HOME funds and property acquired or improved with HOME funds, and make sure the same are used solely for authorized purposes.
- (B) Keep a continuing record of all disbursements by date, check number, amount, vendor, description of items purchased and line item from which money was expended, as reflected in the Contractor or Subgrantee's accounting records. The line item notations must be substantiated by a receipt, invoice marked "Paid," or payroll record.
- (C) Maintain payroll and financial records for a period of six (6) years after closeout of the funds awarded under this Agreement, provided that this program has been monitored by HUD and the annual State audit (which includes the HOME Program), has been completed.
- (D) Permit inspection and audit of its records with respect to all matters authorized by this Agreement by representatives of the County, the State Auditor, or the United States at any time during normal business hours and as often as necessary.
- (E) Inform the County concerning any funds allocated to the Contractor or Subgrantee, that the Contractor or Subgrantee anticipates will not be expended during the Agreement period and permit reassignment of the same.
- (F) Repay to the County any funds in its possession at the time of termination of this Agreement that may be due to the County or the United States.
- (G) Maintain complete records concerning the receipt and use of all program income. Program income shall be reported on a monthly basis on forms provided by the County.

SECTION 3. REIMBURSEMENT

The County shall reimburse the Contractor or Subgrantee only for actual incurred costs upon presentation of a properly executed invoice in a form approved by the County. Only those allowable costs directly related to the Contractor or Subgrantee's application and approved by the County shall be paid consistent with Article III Section 2. The Amount of each request must be limited to the amount needed for payment of eligible costs.

Notwithstanding any other provisions in this section, reimbursement for construction contracts shall have ten percent (10%) of the payment retained until close out of funds pursuant to Article V, Section 12 of this Agreement.

In the event the County or HUD determines any funds are expended by the Contractor or Subgrantee for unauthorized or ineligible purposes or the expenditures constitute disallowed costs in any other way, or if the deadlines set forth in Article I, Section 2 of this Agreement are not met, the County or HUD may order repayment of the same. The Contractor or Subgrantee shall remit the disallowed amount to the County within thirty (30) days of written notification of the disallowance. Reimbursement of pre-commitment costs are limited to those allowed under 24 CFR 92.206(d).

The Contractor or Subgrantee agrees that funds determined by the County to be surplus upon completion of the Agreement will be subject to cancellation by the County.

The County shall be relieved of any obligation for payments if funds allocated to the County cease to be available for any cause other than misfeasance of the County itself.

The County reserves the right to withhold payments pending timely delivery of program reports or documents as may be required under this Agreement, or if the Contractor or Subgrantee otherwise fails to comply with the terms of this Agreement.

SECTION 4. MATCH CONTRIBUTION

A twenty-five percent (25%) match contribution is required under the HOME Program. The Contractor or Subgrantee agrees to provide the eligible match contribution as set forth in the application.

ARTICLE IV. FEDERAL REQUIREMENTS

SECTION 1. INCOME TARGETING

The Contractor or Subgrantee shall provide services under the HOME program only (1) to individuals or families who qualify as low and very low income and under Federal income limits as established by HUD and (2) in accordance with income targeting requirements of 24 CFR 92.216 and 92.217. The Contractor or Subgrantee shall maintain records that clearly document the income range and household size of the individuals or families it services. Furthermore, the Contractor or Subgrantee shall maintain records documenting whether the person being served is a female head of household, is handicapped, and/or is an ethnic/racial minority. In making income determinations, the Contractor or Subgrantee shall comply with the process set forth in 24 CFR 92.203.

SECTION 2. CONSTITUTIONAL PROHIBITION

The Contractor or Subgrantee agrees that HOME funds must be utilized in accordance with 24 CFR 92.257, as well as Wash. Const. art. I, § 11. Particularly, HOME funds shall not be used to support any explicitly religious activity, such as worship, religious instruction, or proselytization, nor shall there be any religious membership criteria for program recipients.

SECTION 3. AFFIRMATIVE MARKETING

In accordance with 24 CFR 92.351, the Contractor or Subgrantee shall use affirmative fair housing marketing practices to solicit renters or buyers for HOME assisted units, for determining their eligibility, and for concluding all transactions. Any HOME assisted housing will comply with the following procedures for the term of the Agreement:

- (A) Contractor or Subgrantee advertising of vacant units will include the Equal Housing Opportunity logo or statement;
- (B) The Contractor or Subgrantee will solicit applications for vacant units from persons in the housing market who are not likely to apply for the housing without special outreach (e.g., use of community organizations, places of worship, employment centers, fair housing groups, or housing counseling agencies);
- (C) The Contractor or Subgrantee will maintain records containing documentation of all marketing efforts.

SECTION 4. NON-DISCRIMINATION IN EMPLOYMENT AND PURCHASING

On all contracts, Contractors or Subgrantees shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 12086 and Executive Order 13672, and as supplemented in Department of Labor regulations (41 CFR Part 60).

- (A) The Contractor or Subgrantee will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- (B) The Contractor or Subgrantee will send to each labor union or representative of workers with which it had a collective bargaining agreement or other contract or understanding, a notice to be provided by the Contractor or Subgrantee contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (C) The Contractor or Subgrantee will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his

books, records, and accounts by the contracting Contractor or Subgrantee and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

- (D) In the event of the Contractor or Subgrantee's noncompliance with the nondiscrimination clauses of this Agreement or with any of such rules, regulations, or orders, this Agreement may be canceled, terminated or suspended in whole or in part and the Contractor or Subgrantee may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (E) The Contractor or Subgrantee will include the provisions of Section 202 of Executive Order 11246 of September 24, 1965 in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor or Subgrantee may request the United States to enter into such litigation to protect the interests of the United States.

SECTION 5. LOCAL EMPLOYMENT AND PURCHASING

- (A) The Contractor or Subgrantee shall comply with Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u, for projects which include housing rehabilitation and construction with more than \$200,000 in total HOME funds all years.
- (B) The work to be performed under this Agreement is a project assisted under a program which provides direct Federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u. Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and agreements for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the area of the project.
- (C) The parties to this Agreement will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135, and all applicable rules and orders of the Department of Housing and Urban Development issued thereunder prior to the execution of this Agreement. The parties of this Agreement certify and agree that they

are under no contractual or other disability which would prevent them from complying with these requirements.

- (D) The Contractor or Subgrantee will send to each labor organization or representative of workers which it has a collective bargaining Agreement or other Agreement or understanding, if any, a notice advising the said labor organization or workers' representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- (E) The Contractor or Subgrantee will include said Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant for or recipient of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR 135. The Contractor will not subcontract with any subcontractor where he 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 subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
- (F) Compliance with the provisions of said Section 3, the regulations set forth in 24 CFR 135, and all applicable rules and orders of the Department of Housing and Urban Development issued thereunder prior to the execution of the Agreement, shall be a condition of the Federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by the grant, loan Agreement, contract, or other Agreement through which Federal assistance is provided and to such sanctions as are specified by 24 CFR 135.

SECTION 6. CONFLICT OF INTEREST

No member, officer, or employee of the Contractor or Subgrantee, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any function or responsibilities with respect to the program during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in this Agreement or any Subagreement, hereto or the proceeds thereof, unless an exemption has been obtained from HUD pursuant to 24 CFR 92.356(f). The Contractor or Subgrantee shall take appropriate steps to ensure compliance including incorporation of the following provisions in every subcontract:

The Contractor covenants that no person who presently exercises any functions or responsibilities in connection with the Kitsap County HOME Program will obtain a personal or financial interest from the HOME assisted activity. The Contractor further covenants that he/she presently has no interest in, nor business, nor family, which would conflict in any manner or degree with the performance of his/her services hereunder. The Contractor further covenants that in the performance of this Agreement

any potential conflict, on the part of the Contractor or his/her employees, will be disclosed to the Contractor or Subgrantee and the County.

Pursuant to 24 CFR §92.356(f), no owner, developer, or sponsor of a project assisted with HOME funds (or officer, employee, agent, elected or appointed official, or consultant of the owner, developer, or sponsor or immediate family member or immediate family member of an officer, employee, agent, elected or appointed official, or consultant of the owner, developer, or sponsor) whether private, for-profit or nonprofit (including a community housing development organization (CHDO) when acting as an owner, developer, or sponsor) may occupy a HOME-assisted affordable housing unit in a project during the required period of affordability. This provision does not apply to an individual who receives HOME funds to acquire or rehabilitate his or her principal residence or to an employee or agent of the owner or developer of a rental housing project who occupies a housing unit as the project manager or maintenance worker.

SECTION 7. DISPLACEMENT, RELOCATION, ACQUISITION AND REPLACEMENT OF HOUSING

The Contractor or Subgrantee shall comply with the requirements relating to displacement, relocation acquisition and replacement of housing outlined in 24 CFR 92.353. The Contractor or Subgrantee shall take all reasonable steps to minimize displacement of persons (families, individuals, businesses, non-profit organizations and farms) as a result of activities assisted with HOME funds. Any action by the Contractor or Subgrantee which may result in the displacement of persons under 24 CFR 92.353 must receive prior written approval from the County.

SECTION 8. DAVIS BACON AND RELATED ACTS

The Contractor or Subgrantee shall comply with the labor requirements of 24 CFR 92.354, and the Davis-Bacon Act, 40 U.S.C. 3141 *et. seq.*, when the contract involves the rehabilitation or new construction of housing that includes 12 or more units assisted with HOME funds, and involves the employment of laborers and/or mechanics to perform the work. The Contractor or Subgrantee shall comply with the Copeland "Anti-Kickback" Act, 40 U.S.C. 3145, as supplemented by the Department of Labor regulations, 29 CFR Part 3. For any agreement in excess of \$100,000 that involves the employment of mechanics or laborers, the Contractor or Subgrantee shall also comply with the Contract Work Hours and Safety Standards Act, 40 U.S.C. 3701-3708 and 29 CFR Part 5.

The contract for construction must contain these wage provisions if HOME funds are used for any project costs in 24 CFR 92.206, including construction or no construction costs, of housing with 12 or more HOME-assisted units.

SECTION 9. LEAD BASED PAINT

The Contractor or Subgrantee shall comply with HUD Lead-Based Paint Regulations 24 CFR 92.355 and 24 CFR Subt. A, Part 35.

SECTION 10. DISCRIMINATION PROHIBITED

The Contractor or Subgrantee shall comply with requirements at 24 CFR Part 92.350 relating to equal opportunity and fair housing. In general, the Contractor or Subgrantee shall not, on the grounds of race, color, sex, religion, or national origin, exclude from participation in, deny the benefits of, or subject to discrimination under any program or activity funded in whole or in part with HOME funds.

- (A) The Contractor or Subgrantee shall abide by all applicable provisions of Section 504 of the HEW Rehabilitation Act of 1973 as amended (implemented in 24 CFR Part 8) prohibiting discrimination against handicapped individuals, and the Age Discrimination Act of 1975 (implemented in 24 CFR Part 146) prohibiting discrimination on the basis of age, either through purpose or intent.
- (B) The Contractor or Subgrantee shall comply with the requirements of the Fair Housing Act (42 U.S.C. 3601-20) and implementing regulations at 24 CFR Part 100; Executive Order 11063 as amended by Executive Order 12259 (3 CFR, 1959 - 1963 Comp., p.652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing) and implementing regulations at 24 CFR part 107; and title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) (Nondiscrimination in Federally Assisted Programs) and implementing regulations issued at 24 CFR part 1.
- (C) The Contractor or Subgrantee, as an owner of rental property, cannot refuse to lease HOME-assisted units to a certificate or voucher holder under 24 CFR part 982--Section 8 Tenant-Based Assistance: Unified Rule for Tenant-Based Assistance under the Section 8 Rental Certificate Program and the Section 8 Rental Voucher Program or to the holder of a comparable document evidencing participation in a HOME tenant-based rental assistance program because of the status of the prospective tenant as a holder of such certificate, voucher or comparable HOME tenant-based assistance document.
- (D) If assignment and/or subcontracting has been authorized in writing, said assignment or subcontract shall include appropriate safeguards against discrimination in client services binding upon each contractor or subcontractor. The Contractor or Subgrantee shall take such action as may be required to ensure full compliance with the provisions of this clause, including sanctions for noncompliance.
- (E) The Contractor or Subgrantee shall comply with the Violence Against Women Act (VAWA) requirements of 24 CFR 92.359, described below.

General.

(1) The Violence Against Women Act (VAWA) requirements set forth in 24 CFR part 5, subpart L, apply to all HOME tenant-based rental assistance and rental housing assisted with HOME funds, as supplemented by this section.

(2) For the HOME program, the "covered housing provider," as this term is used in HUD's regulations in 24 CFR part 5, subpart L, refers to:

(i) The housing owner for the purposes of 24 CFR 5.2005(d)(1), (d)(3), and (d)(4) and § 5.2009(a); and

(ii) The participating jurisdiction and the owner for purposes of 24 CFR 5.2005(d)(2), 5.2005(e), and 5.2007, except as otherwise provided in paragraph (g) of this section.

Effective date. The core statutory protections of VAWA that prohibit denial or termination of assistance or eviction solely because an applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking became applicable upon enactment of VAWA 2013 on March 7, 2013. Compliance with the VAWA regulatory requirements under this section and 24 CFR part 5, subpart L, are required for any tenant-based rental assistance or rental housing project for which the date of the HOME funding commitment is on or after *December 16, 2016*.

Notification requirements. The participating jurisdiction must provide a notice and certification form that meet the requirements of 24 CFR 5.2005(a) to the owner of HOME-assisted rental housing.

(1) *For HOME-assisted units.* The owner of HOME-assisted rental housing must provide the notice and certification form described in 24 CFR 5.2005(a) to the applicant for a HOME-assisted unit at the time the applicant is admitted to a HOME-assisted unit, or denied admission to a HOME-assisted unit based on the owner's tenant selection policies and criteria. The owner of HOME-assisted rental housing must also provide the notice and certification form described in 24 CFR 5.2005 with any notification of eviction from a HOME-assisted unit.

(2) *For HOME tenant-based rental assistance.* The participating jurisdiction must provide the notice and certification form described in 24 CFR 5.2005(a) to the applicant for HOME tenant-based rental assistance when the applicant's HOME tenant-based rental assistance is approved or denied. The participating jurisdiction must also provide the notice and certification form described in 24 CFR 5.2005(a) to a tenant receiving HOME tenant-based rental assistance when the participating jurisdiction provides the tenant with notification of termination of the HOME tenant-based rental assistance, and when the participating jurisdiction learns that the tenant's housing owner intends to provide the tenant with notification of eviction.

Bifurcation of lease requirements. For the purposes of this part, the following requirements shall apply in place of the requirements at 24 CFR 5.2009(b):

(1) If a family living in a HOME-assisted rental unit separates under 24 CFR 5.2009(a), the remaining tenant(s) may remain in the HOME-assisted unit.

(2) If a family who is receiving HOME tenant-based rental assistance separates under 24 CFR 5.2009(a), the remaining tenant(s) will retain the HOME tenant-based rental assistance. The participating jurisdiction must determine whether the tenant that was removed from the unit will receive HOME tenant-based rental assistance.

VAWA lease term/addendum. The participating jurisdiction must develop a VAWA lease term/addendum to incorporate all requirements that apply to the owner or lease under 24 CFR part 5, subpart L, and this section, including the prohibited bases for eviction and restrictions on construing lease terms under 24 CFR 5.2005(b) and (c). This VAWA lease term/addendum must also provide that the tenant may terminate the lease without penalty if the participating jurisdiction determines that the tenant has met the conditions for an emergency transfer under 24 CFR 5.2005(e). When HOME tenant-based rental assistance is provided, the lease term/addendum must require the owner to notify the participating jurisdiction before the owner bifurcates the lease or provides notification of eviction to the tenant. If HOME tenant-based rental assistance is the only assistance provided (*i.e.*, the unit is not receiving project-based assistance under a covered housing program, as defined in 24 CFR 5.2003), the VAWA lease term/addendum may be written to expire at the end of the rental assistance period.

Period of applicability. For HOME-assisted rental housing, the requirements of this section shall apply to the owner of the housing for the duration of the affordability period. For HOME tenant-based rental assistance, the requirements of this section shall apply to the owner of the tenant's housing for the period for which the rental assistance is provided.

Emergency Transfer Plan.

(1) The participating jurisdiction must develop and implement an emergency transfer plan and must make the determination of whether a tenant qualifies under the plan. The plan must meet the requirements in 24 CFR 5.2005(e), as supplemented by this section.

(2) For the purposes of § 5.2005(e)(7), the required policies must specify that for tenants who qualify for an emergency transfer and who wish to make an external emergency transfer when a safe unit is not immediately available, the participating jurisdiction must provide a list of properties in the jurisdiction that include HOME-assisted units. The list must include the following information for each property: The property's address, contact information, the unit sizes (number of bedrooms) for the HOME-assisted units, and, to the extent known, any tenant preferences or eligibility restrictions for the HOME-assisted units. In addition, the participating jurisdiction may:

(i) Establish a preference under the participating jurisdiction's HOME program for tenants who qualify for emergency transfers under 24 CFR 5.2005(e);

(ii) Provide HOME tenant-based rental assistance to tenants who qualify for emergency transfers under 24 CFR 5.2005(e); or

(iii) Coordinate with victim service providers and advocates to develop the emergency transfer plan, make referrals, and facilitate emergency transfers to safe and available units.

SECTION 11. MINORITY AND WOMEN OWNED BUSINESS OUTREACH

HOME requirements at 24 CFR 92.351(b) requires the encouragement and use of minority and women owned business enterprises in the implementation of HOME program activities. The Contractor or Subgrantee will undertake direct affirmative outreach measures, as described in the Contractor or Subgrantee application, to ensure the greatest possible opportunity for minority and women owned businesses to compete for contracts within each phase of the HOME funded project.

SECTION 12. SITE AND NEIGHBORHOOD STANDARDS

The Contractor or Subgrantee will comply with regulations at 24 CFR 92.202 which require the HOME program to be administered in a manner that provides housing that:

- (A) Is suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Executive Order 11063 and HUD regulations issued pursuant thereto; and
- (B) Promotes greater choice of housing opportunities.

New construction projects must meet site and neighborhood standards described in 24 CFR 882.708(c) which places limiting conditions on building in areas of “minority concentration” and “racially mixed” areas.

SECTION 13. TENANT PROTECTIONS

There must be a written lease between the tenant and the Contractor or Subgrantee, as the owner of rental housing assisted with HOME funds, which is for a period of not less than one year, unless by mutual agreement between the tenant and the owner a shorter period is specified. An owner of rental housing assisted with HOME funds must comply with 24 CFR 92.209, 92.252 and 92.253.

SECTION 14. PROHIBITED ACTIVITIES AND FEES

HOME funds must be used in accordance with 24 CFR 92.214 and Contractors and Subgrantees may not charge servicing, origination, or other fees for the purpose of covering costs of administering the HOME program except as provided under 24 CFR 92.214.

SECTION 15. OTHER PROGRAM REQUIREMENTS

- (A) The Contractor or Subgrantee shall carry out each activity in compliance with all Federal laws and regulations described in Subpart H of 24 CFR 92, regardless of whether the law is specifically stated in this Agreement, except that:
 - (1) The Contractor or Subgrantee does not assume the County’s environmental responsibilities described in 24 CFR Part 92.352 provided however, the Contractor or

Subgrantee may be required to assemble and provide information as required by the County to complete environmental review; and

(2) The Contractor or Subgrantee does not assume the County's responsibility for initiating the review process under Executive Order 12372.

(B) For Agreements in excess of \$150,000, the Contractor or Subgrantee agrees to comply with the Clean Air Act, 42 U.S.C.7401-7671q, and the Federal Water Pollution Control Act, 22 U.S.C. 1251-1387.

(C) If the Agreement involves the acquisition or improvement of real property or equipment, the Contractor or Subgrantee agrees to comply with the provisions of 2 CFR 200.310 – 200.316.

(D) For rental housing units assisted with HOME funds, there must be a written lease between the landlord and the tenant in compliance with 24 CFR 92.253.

ARTICLE V: GENERAL CONDITIONS

SECTION 1. COMPLIANCE WITH LAWS

The Contractor or Subgrantee, in performance of this Agreement, agrees to comply with all applicable Federal, State and Local Laws and ordinances, and the rules and regulations promulgated by the U.S. Department of Housing and Urban Development, including but not limited to Federal HOME Regulations and other policies and guidelines established for the Kitsap County HOME Program by the Kitsap County Board of Commissioners. Contractor or Subgrantee agrees to comply with all provisions of the Americans with Disabilities Act and all regulations interpreting or enforcing such act. The Contractor or Subgrantee agrees to certify that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency in accordance with Executive Orders 12549 and 12689, 24 CFR 24.1. Additionally, the Contractor or Subgrantee will certify to anti-lobbying as required by 31 U.S.C. 1352.

SECTION 2. LICENSING AND PROGRAM STANDARDS

The Contractor or Subgrantee agrees to comply with and to obtain at its own expense, if necessary, all applicable Federal, State, County or Municipal standards for licensing, certification and operation of facilities and programs, and accreditation and licensing of individuals, and any other standards or criteria as described in the Agreement to ensure quality of services.

SECTION 3. INSURANCE

Prior to commencing work, Contractor or Subgrantee shall procure and maintain at Contractor or Subgrantee’s own cost and expense for the duration of the Agreement the following insurance placed with insurers with a minimum Best’s rating of A-, VI against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work or services hereunder by the Contractor or Subgrantee, its agents, representatives, employees or subcontractors.

Minimum Limits of Insurance. Contractor or Subgrantee shall maintain limits no less than:

- *Commercial General Liability:* One million dollars (\$1,000,000) combined single limit per occurrence for bodily injury and property damage, and two million dollars (\$2,000,000) aggregate. Coverage shall be on an “occurrence” basis. Kitsap County shall be named, by endorsement, as an additional insured on the Contractor or Subgrantee’s insurance policy as respects this contract. Such insurance as carried by the Contractor or Subgrantee is primary over insurance carried by the County.
- *Comprehensive Automobile Liability Insurance:* One million dollars (\$1,000,000) combined single limit per accident for bodily injury/property damage.
- *Workers’ Compensation and Employer’s Liability:* Workers’ Compensation coverage as required by the State of Washington.
- *Professional Liability Errors and Omissions:* In the event that services delivered pursuant to this contract either directly or indirectly involve or require professional services the Agency will provide professional liability errors and omissions coverage with a minimum limit of \$1,000,000 per claim and in the aggregate.

Miscellaneous Insurance Provisions

- *Contractor or Subgrantee’s Insurance is Primary:* The Contractor or Subgrantee’s liability insurance provisions will be primary with respect to any insurance or self-insurance programs covering the County, its elected and appointed officers, officials, employees and agents.
- *Additional Insured:* The Contractor or Subgrantee’s commercial general liability and automobile liability insurance (if applicable) will include the County, its officers, officials, employees, and agents as additional insured, without limitation, with respect to performance under the contract.
- **Evidence of Contractor or Subgrantee’s Insurance** shall be presented to Kitsap County Department of Human Services prior to the execution of the agreement. In the event of non-renewal, cancellation, or material change in coverage, thirty (30) days written notice will be furnished to the County prior to the date of cancellation, non-renewal or change. Written notice of cancellation or change will be mailed to the County at the following address:

Bonnie Tufts
Kitsap County Department of Human Services
Block Grant Program
614 Division Street MS-23
Port Orchard, WA 98366

Upon receipt, the Human Services Department will ensure submission of all insurance documentation to the Risk Management Division, Kitsap County Department of Administrative Services.

SECTION 4. INDEMNITY

The Contractor or Subgrantee agrees to defend, indemnify and save harmless the County, its appointed and elected officers and employees and the Administrator, from and against any and all liability, loss, costs, damage and expense, including costs and attorney fees in defense thereof because of actions, claims or lawsuits for damages resulting from personal or bodily injury, including death at any time resulting therefrom, sustained or alleged to have been sustained by any person or persons and on account of damage to property, arising or alleged to have arisen directly or indirectly out of or in consequence of the performance of this Agreement, whether such injuries to persons or damage to property is due to the negligence of Contractor or Subgrantee, its subcontractors, agents, successor, or assigns. This indemnification will also apply to any claims arising out of the Agency's non-compliance with federal regulations, as required under this Agreement. This provision shall be inapplicable to the extent the County is judicially found solely negligent for such damage or injury.

Solely for the purposes of this provision, the Contractor or Subgrantee waives its immunity under Title 51 (Industrial Insurance) of the Revised Code of Washington and acknowledges that this waiver was mutually negotiated by the parties.

SECTION 5. NOTICES

Any notices required to be given by the County to the Contractor or Subgrantee or by the Contractor or Subgrantee to the County shall be in writing and delivered to the following parties at the following addresses:

Kitsap County
Kitsap County Dept. of Human Services
Block Grant Program
614 Division Street MS-23
Port Orchard, WA 98366

Contractor or Subgrantee
City of Poulsbo
Attn: Kim Hendrickson
200 NE Moe Street
Poulsbo, WA 98370

SECTION 6. CITIZEN PARTICIPATION

The Contractor or Subgrantee will implement the provisions of this Agreement in such a manner as not to impede the attainment of widespread citizen participation in planning and carrying out the project.

SECTION 7. ASSIGNMENT AND SUBCONTRACTING

The Contractor or Subgrantee shall not assign or subcontract any portion of the services provided within the terms of this Agreement without obtaining prior written approval from the County. All terms and conditions of this Agreement shall apply to any approved subcontract or assignment related to the Agreement.

SECTION 8. RESERVATION OF RIGHTS

Failure to insist upon strict compliance with any terms, covenants or conditions of this Agreement shall not be deemed a waiver of such, nor shall any waiver or relinquishment of such right or power at any time be taken to be a waiver of any other breach.

SECTION 9. AMENDMENTS TO AGREEMENT

The parties hereby further agree that this Agreement cannot be amended or modified without the written concurrence of both parties.

SECTION 10. FAILURE TO PERFORM

In the event of a failure by the Contractor or Subgrantee to comply with any terms or conditions of this Agreement, or to provide in any manner the activities or other performance as agreed to herein, the County reserves the right to temporarily withhold all or any part of payment pending correction of the deficiency, suspend all or part of the Agreement, or prohibit the Contractor or Subgrantee from incurring additional obligations of funds until the County is satisfied that corrective action has been taken or completed. The County reserves the right to take other appropriate actions to enforce this Agreement such as the imposition of liens, deed restrictions, or covenants running with the land on the real property. The option to withhold funds is in addition to, and not in lieu of, the County's right to terminate as provided in Article V Section 11 of this Agreement. The County may consider performance under this Agreement when considering future awards.

SECTION 11. TERMINATION

If the Contractor or Subgrantee fails to comply with the terms and conditions of this Agreement, the County may pursue such remedies as are available in accordance with Article V Section 10, and/or terminate the Agreement under the following terms:

- (A) Termination for Cause - If the Contractor or Subgrantee fails to comply with the terms and conditions of this Agreement and any of the following conditions exist:

- (1) The lack of compliance with the provisions of this Agreement are of such scope and nature that the County deems continuation of this Agreement to be substantially non-beneficial to the public interest;
- (2) The Contractor or Subgrantee has failed to take satisfactory corrective action as directed by the County or its authorized representative within the time specified by same; or
- (3) The Contractor or Subgrantee has failed within the time specified by the County or its authorized representative to satisfactorily substantiate its compliance with the terms and conditions of this Agreement;

The County may terminate this Agreement in whole or in part, and thereupon shall notify in writing the Contractor or Subgrantee of the termination, the reasons therefore, and the effective date. The effective date shall not be prior to notification of the termination by the County to the Contractor or Subgrantee. Costs resulting from obligations incurred by the Contractor or Subgrantee after termination of the Agreement are not allowable unless specifically authorized in writing by the County.

(B) Termination for Convenience: The Agreement may be terminated for convenience, in whole or in part, as follows:

- (1) By the County with the consent of the Contractor or Subgrantee. The two parties shall agree upon the termination conditions, including the effective date and in the case of partial termination, the portion to be terminated, or
- (2) By the Contractor or Subgrantee upon submitting written notification to the County. The written notification must set forth the reasons for the termination, the effective date, and in the case of partial termination, the portion to be terminated; However, in the case of a proposed partial termination, the County may terminate the award in its entirety if the County determines that the remaining portion will not accomplish the purpose for which the award was made.

(C) Termination for Withdrawal, Reduction or Limitation of Funding. In the event that funding from the Federal government is withdrawn, reduced, or limited in any way after the effective date of this Agreement and prior to its normal completion, the County may summarily terminate this Agreement as to the funds reduced or limited, notwithstanding any other termination provision of this Agreement. If the level of funding so reduced or limited is so great that the County deems that the continuation of the program covered by this Agreement is no longer in the best interest of the public, the County may summarily terminate this Agreement in whole notwithstanding any other termination provisions of this Agreement. Termination under this Section shall be effective upon receipt of written notice by the Contractor or Subgrantee or its representative.

(D) Dispute Resolution. The Parties will attempt in good faith to resolve any dispute or claim arising out of or in relation to this Agreement through negotiations between representatives with authority to settle the relevant dispute. If the dispute cannot be

settled amicably within fourteen (14) days from the date on which either Party has served written notice on the other of the dispute then the remaining provisions of this Agreement, including remedies for non-compliance and termination shall apply.

SECTION 12. CLOSE-OUT OF FUNDS

Upon termination of this Agreement, in whole or in part for any reason including completion of the project, the following provisions shall apply:

- (A) Upon written request by the Contractor or Subgrantee, the County shall make or arrange for payment to the Contractor or Subgrantee of allowable reimbursable costs not covered by previous payments;
- (B) The Contractor or Subgrantee shall submit within thirty (30) days after the date of expiration of this Agreement, all financial, performance and other reports required by this Agreement, and in addition, will cooperate in a program audit by Kitsap County or its designee;
- (C) In the event a financial audit has not been performed prior to close-out of this Agreement, the County retains the right to withhold a just and reasonable sum from the final payment to the Contractor or Subgrantee after fully considering the recommendation on disallowed costs resulting from the final audit.
- (D) Any real property under the Contractor or Subgrantee's control that was acquired or improved in whole or in part with HOME funds must continue to meet the requirements applicable to housing projects for the period of affordability specified in 24 CFR 92.252 or 24 CFR 92.254, and Article I, Section 6 (Affordability) of this Agreement. The Contractor or Subgrantee is required to keep records demonstrating that the requirements have been met. If the Contractor or Subgrantee fails to meet the affordability requirements in the required period, it must repay the HOME funds as required by 24 CFR 92.503.
- (E) Closeout of funds will not occur unless all requirements of 24 CFR 92.507 and all outstanding issues with the general contractor and or subcontractor have been resolved to the satisfaction of the County

SECTION 13. VENUE AND CHOICE OF LAW

Any action at law, suit in equity, or other judicial proceeding for the enforcement of this Agreement or any provisions thereof shall be instituted only in the Superior Court of the State of Washington, County of Kitsap. It is mutually understood and agreed that this Agreement shall be governed by the laws of the State of Washington, both as to interpretation and performance.

SECTION 14. SEVERABILITY CLAUSE

It is understood and agreed by the parties that if any part, term, or provision of this Agreement is held by the courts to be illegal or in conflict with any law of the state where made, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid.

SECTION 15. INTEGRATED DOCUMENT

This Agreement with any attachments constitutes the entire agreement between the parties and both parties acknowledge that there are no other agreements, written or oral, that have not been fully set forth in the text of this Agreement.

Dated this 7 day of January, 2025

Dated this 27 day of Jan, 2025

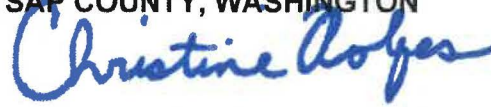
CONTRACTOR/SUBGRANTEE:
City of Poulsbo

BOARD OF COUNTY COMMISSIONERS
KITSAP COUNTY, WASHINGTON

By:



Rebecca Erickson, Mayor



CHRISTINE ROLFES, Chair



ORAN ROOT, Commissioner



KATHERINE T. WALTERS, Commissioner

ATTEST:



Dana Daniels, Clerk of the Board



INDEX TO HOME AGREEMENT

Article I. Project

1. Scope of Services
2. Project Description
3. Schedule for Completion
4. Term of Agreement
5. Project Requirements
6. Affordability
7. Property Standards

Article II. Program Records/Reports

1. Records
2. Reports
3. Retention of Records

Article III. Financial Conditions

1. Budget and Compensation
2. Documentation of Costs and Other Financial Reporting
3. Reimbursement
4. Match Contribution

Article IV. Federal Requirements

1. Income Targeting
2. Constitutional Prohibition
3. Affirmative Marketing
4. Non-Discrimination in Employment and Purchasing
5. Local Employment and Purchasing
6. Conflict of Interest
7. Displacement, Relocation, Acquisition and Replacement of Housing
8. Davis Bacon and Related Acts
9. Lead Based Paint
10. Discrimination Prohibited
11. Minority and Women Owned Business Outreach
12. Site and Neighborhood standards
13. Tenant Protections
14. Prohibited Activities and Fees
15. Other Program Requirements

Article V. General Conditions

1. Compliance with Laws
2. Licensing and Program Standards
3. Insurance
4. Indemnity
5. Notices
6. Citizen Participation
7. Assignment and Subcontracting
8. Reservation of Rights
9. Amendments to Agreement
10. Failure to Perform
11. Termination
12. Close Out of Funds
13. Venue and Choice of Law
14. Severability Clause
15. Integrated Document

Attachment A – Budget Summary – KC-057-25 City of Poulsbo – Nordic Cottages

PROJECT COSTS	Total All Funds	County HOME Funds	Other Funds
PERSONNEL, including managers, staff, salaries, benefits and taxes. AMOUNT			
SUPPLIES/EQUIPMENT, including office supplies, office equipment if approved. AMOUNT			
ADMINISTRATION including occupancy (building & grounds), advertising, audit, insurance/bonds, postage, rent/utilities, communication, training, travel, transportation AMOUNT			
ACQUISITION COSTS AMOUNT			
DEVELOPMENT SOFT COSTS including appraisal, design and A&E, processing/settlement and financing, marketing, operating reserve, professional fees and contract services AMOUNT			\$ 766,846
DEVELOPMENT HARD COSTS, including clearance/demolition, construction, rehabilitation and improvements. AMOUNT	\$ 3,233,417.62	\$ 400,000	\$2,833,418
OTHER COSTS, as approved including: AMOUNT			
TOTAL PROJECT COSTS	\$ 4,000,264	\$ 400,000	\$ 3,600,264

**ATTACHMENT B
CERTIFICATION REGARDING DEBARMENT,
SUSPENSION, AND OTHER RESPONSIBILITY MATTERS**

Primary Covered Transactions 24 CFR PART 24

1. The Contractor or Subgrantee certifies to the best of its knowledge and belief, that it and its principles:
 - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;
 - b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connections with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement, or receiving stolen property;
 - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph 1.b. of this certification; and
 - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

2. Where the Contractor or Subgrantee is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

This Certification is executed by the person(s) signing below who warrant they have authority to execute this Certification.

Contractor or Subgrantee: City of Poulsbo



Name, Title: Rebecca Erickson, Mayor



Date

**ATTACHMENT C
CERTIFICATION REGARDING LOBBYING**

The undersigned certifies, to the best of his or her knowledge and beliefs, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification 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 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 and not more than \$100,000 for each such failure.

Contractor or Subgrantee: City of Poulsbo


Name, Title: Rebecca Erickson, Mayor


Date



P.O. Box 88030

Tukwila, WA 98138

Phone: 206-575-6046

Fax: 206-575-7426

6/6/2024

Ref#: 15413

www.wciapool.org

Kitsap County
Attn: Erik Pedersen
619 Division Street
Port Orchard, WA 98366

Re: City of Poulsbo
Nordic Cottages

Evidence of Coverage

The City of Poulsbo is a member of the Washington Cities Insurance Authority (WCIA), which is a self-insured pool of over 160 public entities in the State of Washington.

WCIA has at least \$4 million per occurrence limit of liability coverage in its self-insured layer that may be applicable in the event an incident occurs that is deemed to be attributed to the negligence of the member. Liability coverage includes general liability, automobile liability, stop-gap coverage, errors or omissions liability, employee benefits liability and employment practices liability coverage.

WCIA provides contractual liability coverage to the City of Poulsbo. The contractual liability coverage provides that WCIA shall pay on behalf of the City of Poulsbo all sums which the member shall be obligated to pay by reason of liability assumed under contract by the member.

WCIA was created by an interlocal agreement among public entities and liability is self-funded by the membership. As there is no insurance policy involved and WCIA is not an insurance company, your organization cannot be named as an additional insured.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Roscoe".

Rob Roscoe
Deputy Director

cc: Deanna Kingery



CITY OF POULSBO

Unique Entity ID TW1DGKW6J8A5	CAGE / NCAGE 71C07	Purpose of Registration Federal Assistance Awards Only
Registration Status Active Registration	Expiration Date Aug 1, 2025	
Physical Address 200 NE Moe ST Poulsbo, Washington 98370-7347 United States	Mailing Address 200 NE Moe ST. Poulsbo, Washington 98370 United States	

Business Information

Doing Business as (blank)	Division Name City Of Poulsbo - City Hall	Division Number (blank)
Congressional District Washington 06	State / Country of Incorporation (blank) / (blank)	URL www.cityofpoulsbo.com

Registration Dates

Activation Date Aug 5, 2024	Submission Date Aug 1, 2024	Initial Registration Date Dec 19, 2013
---------------------------------------	---------------------------------------	--

Entity Dates

Entity Start Date Jan 1, 1908	Fiscal Year End Close Date Dec 31
---	---

Immediate Owner

CAGE (blank)	Legal Business Name (blank)
------------------------	---------------------------------------

Highest Level Owner

CAGE (blank)	Legal Business Name (blank)
------------------------	---------------------------------------

Executive Compensation

Registrants in the System for Award Management (SAM) respond to the Executive Compensation questions in accordance with Section 6202 of P.L. 110-252, amending the Federal Funding Accountability and Transparency Act (P.L. 109-282). This information is not displayed in SAM. It is sent to USAspending.gov for display in association with an eligible award. Maintaining an active registration in SAM demonstrates the registrant responded to the questions.

Proceedings Questions

Registrants in the System for Award Management (SAM.gov) respond to proceedings questions in accordance with FAR 52.209-7, FAR 52.209-9, or 2. C.F.R. 200 Appendix XII. Their responses are displayed in the responsibility/qualification section of SAM.gov. Maintaining an active registration in SAM.gov demonstrates the registrant responded to the proceedings questions.

Exclusion Summary

Active Exclusions Records?
No

SAM Search Authorization

I authorize my entity's non-sensitive information to be displayed in SAM public search results:
Yes

Entity Types

Business Types		
Entity Structure U.S. Government Entity	Entity Type US Local Government	Organization Factors (blank)
Profit Structure (blank)		

Socio-Economic Types

Check the registrant's Reqs & Certs, if present, under FAR 52.212-3 or FAR 52.219-1 to determine if the entity is an SBA-certified HUBZone small business concern. Additional small business information may be found in the SBA's Dynamic Small Business Search if the entity completed the SBA supplemental pages during registration.

Government Types

U.S. Local Government
Municipality
City

Accepts Credit Card Payments
No Debt Subject To Offset
No

EFT Indicator
0000 CAGE Code
71C07

Electronic Business

⌘
Deborah Booher, Finance Director 200 NE MOE. ST.
Poulsbo, Washington 98370
United States

Government Business

⌘
Deborah Booher, Finance Director 200 NE MOE. ST.
Poulsbo, Washington 98370
United States

Past Performance

⌘
Sandi N Ryen, Accounting Technician 200 NE Moe ST
Poulsbo, Washington 98370
United States

NAICS Codes

Primary NAICS Codes NAICS Title

This entity does not appear in the disaster response registry.