

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

AN AGREEMENT, by and between Kitsap County hereinafter referred to as “County” and **Kitsap Community Resources**, a Washington non-profit, 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 nine (9) units of permanent supportive rental housing called šəqusəbali, “place to hold your head up” (fka Manette), located in the City of Bremerton. The property will serve homeless households, or those at-risk of homelessness, with incomes at or below 30% of the area median income for Kitsap County. The project will consist of three townhouse style buildings, each with three units; two 2-bedroom and one 3-bedroom units. Upon completion, KCR will apply to Bremerton Housing Authority for project-based Section 8 vouchers for all nine (9) units and four (4) 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 1 sensory) 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 Madden Consulting to act as the developer for the project and to provide technical assistance for lease up.
6. It is anticipated that all units will be approved for project-based vouchers and will be serving households at or below 30% Area Median Income for Kitsap County. Therefore, the 4 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 - 2-bedroom ADA unit (unit #A1), 2-bedroom unit (unit #A2), 2-bedroom unit (unit #B1) and 3-bedroom unit (unit #A3).
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 KCR, 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. If the units receive project based vouchers, the following rent requirements will apply.
 - 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:	Manette
Funded Amount:	\$802,226.05
Action Plan Year:	2020
Type of Project:	New Construction
Service Area:	Kitsap County
Tax Parcel Number:	132401-1-087-2006 & 132401-1-088-2005
Project Address/Location:	2115 E 19th St, Bremerton, WA 98310
<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:	WYSCRVNX33J8
Federal Award Identifier Number (FAIN)	M20DC530205
Research or Development Contract:	No

Indirect Cost (IDC) Rate for Federal Award:		
<input checked="" type="checkbox"/>	Approved Rate	8.8%
<input checked="" type="checkbox"/>	De Minimis for IDC Rate	
<input type="checkbox"/>	Not Applicable	

SECTION 3. SCHEDULE FOR COMPLETION (specific milestones)

Specific Tasks	Start Date	End Date
Site Control (Purchase & Sale Agreement - Closing)	5/14/19	1/2/24
NEPA Environmental Review – Authority to Use Grant Funds		3/1/22
Zoning & Site Plan Approval		1/1/21
General Contractor Selection	1/1/24	1/15/24
Market Study	1/1/24	4/1/24
Final Plans and Specs Completed	1/1/24	5/1/24
Building Permits	6/1/24	9/30/24
Construction	10/1/24	12/1/25
Certificate of Occupancy	10/1/25	12/1/25
Lease up	12/1/25	12/31/25
Project Closeout – submission of HOME Completion Reports and final inspection	11/1/25	1/31/26
Period of Affordability (20 years from closeout)		2046

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 **eight hundred two thousand, two hundred and twenty-six dollars and five cents (\$802,226.05)**, 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: **Kitsap Community Resources, 845 8th Street, Bremerton, WA 98337.**

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
Kitsap Community Resources
845 8th Street
Bremerton, WA 98337

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
- (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 11th day of Feb 2025

Dated this 13 day of February 2025


CONTRACTOR/SUBGRANTEE:

KITSAP COUNTY, WASHINGTON

By:



Anthony Ives, Executive Director



Victoria Brazitis, County Administrator

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- - KCR Manette

PROJECT COSTS	Total All Funds	County HOME Funds	Other: Sources of 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	\$ 518,200.00	\$	\$ 518,200.00
DEVELOPMENT SOFT COSTS including appraisal, design and A&E, processing/settlement and financing, marketing, operating reserve, professional fees and contract services			
AMOUNT	\$ 871,234.86	\$ 14,317.66	\$ 856,917.20
DEVELOPMENT HARD COSTS, including clearance/demolition, construction, rehabilitation and improvements.			
AMOUNT	\$4,368,627.46	\$ 787,908.39	\$3,580,719.07
OTHER COSTS, as approved including: Capitalized Reserves			
AMOUNT	\$ 21,411.00	\$	\$ 21,411.00
TOTAL PROJECT COSTS	\$ 5,779,473.32	\$ 802,226.05	\$ 4,977,247.27

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: Kitsap Community Resources



Name, Title: Anthony Ives, Executive Director



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: **Kitsap Community Resources**



Name, Title: Anthony Ives, Executive Director



Date

Additional Named Insureds

Other Named Insureds

KCR Cares LLC	Insured Multiple Names
KCR Community Services LLC	Insured Multiple Names
Kitsap Community Resources 401k Plan	Insured Multiple Names

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**GENERAL LIABILITY DELUXE ENDORSEMENT:
HUMAN SERVICES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE

It is understood and agreed that the following extensions only apply in the event that no other specific coverage for the indicated loss exposure is provided under this policy. If such specific coverage applies, the terms, conditions and limits of that coverage are the sole and exclusive coverage applicable under this policy, unless otherwise noted on this endorsement. The following is a summary of the Limits of Insurance and additional coverages provided by this endorsement. For complete details on specific coverages, consult the policy contract wording.

Coverage Applicable	Limit of Insurance	Page #
Extended Property Damage	Included	2
Limited Rental Lease Agreement Contractual Liability	\$50,000 limit	2
Non-Owned Watercraft	Less than 58 feet	2
Damage to Property You Own, Rent, or Occupy	\$30,000 limit	2
Damage to Premises Rented to You	\$1,000,000	3
HIPAA	Clarification	4
Medical Payments	\$20,000	5
Medical Payments – Extended Reporting Period	3 years	5
Athletic Activities	Amended	5
Supplementary Payments – Bail Bonds	\$5,000	5
Supplementary Payment – Loss of Earnings	\$1,000 per day	5
Employee Indemnification Defense Coverage	\$25,000	5
Key and Lock Replacement – Janitorial Services Client Coverage	\$10,000 limit	6
Additional Insured – Newly Acquired Time Period	Amended	6
Additional Insured – Medical Directors and Administrators	Included	7
Additional Insured – Managers and Supervisors (with Fellow Employee Coverage)	Included	7
Additional Insured – Broadened Named Insured	Included	7
Additional Insured – Funding Source	Included	7
Additional Insured – Home Care Providers	Included	7
Additional Insured – Managers, Landlords, or Lessors of Premises	Included	7
Additional Insured – Lessor of Leased Equipment	Included	7
Additional Insured – Grantor of Permits	Included	8
Additional Insured – Vendor	Included	8
Additional Insured – Franchisor	Included	9
Additional Insured – When Required by Contract	Included	9
Additional Insured – Owners, Lessees, or Contractors	Included	9
Additional Insured – State or Political Subdivisions	Included	10

Duties in the Event of Occurrence, Claim or Suit	Included	10
Unintentional Failure to Disclose Hazards	Included	10
Transfer of Rights of Recovery Against Others To Us	Clarification	10
Liberalization	Included	11
Bodily Injury – includes Mental Anguish	Included	11
Personal and Advertising Injury – includes Abuse of Process, Discrimination	Included	11

A. Extended Property Damage

SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Subsection **2. Exclusions**, Paragraph **a.** is deleted in its entirety and replaced by the following:

a. Expected or Intended Injury

“Bodily injury” or property damage” expected or intended from the standpoint of the insured. This exclusion does not apply to “bodily injury” or “property damage” resulting from the use of reasonable force to protect persons or property.

B. Limited Rental Lease Agreement Contractual Liability

SECTION I – COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Subsection **2. Exclusions**, Paragraph **b. Contractual Liability** is amended to include the following:

- (3) Based on the named insured’s request at the time of claim, we agree to indemnify the named insured for their liability assumed in a contract or agreement regarding the rental or lease of a premises on behalf of their client, up to \$50,000. This coverage extension only applies to rental lease agreements. This coverage is excess over any renter’s liability insurance of the client.

C. Non-Owned Watercraft

SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Subsection **2. Exclusions**, Paragraph **g. (2)** is deleted in its entirety and replaced by the following:

- (2) A watercraft you do not own that is:
- (a) Less than 58 feet long; and
 - (b) Not being used to carry persons or property for a charge;

This provision applies to any person, who with your consent, either uses or is responsible for the use of a watercraft. This insurance is excess over any other valid and collectible insurance available to the insured whether primary, excess or contingent.

D. Damage to Property You Own, Rent or Occupy

SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE

LIABILITY, Subsection **2. Exclusions**, Paragraph **j. Damage to Property**, Item **(1)** is deleted in its entirety and replaced with the following:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property, unless the damage to property is caused by your client, up to a \$30,000 limit. A client is defined as a person under your direct care and supervision.

E. Damage to Premises Rented to You

1. If damage by fire to premises rented to you is not otherwise excluded from this Coverage Part, the word "fire" is changed to "fire, lightning, explosion, smoke, or leakage from automatic fire protective systems" where it appears in:

- a. The last paragraph of **SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection **2. Exclusions**; is deleted in its entirety and replaced by the following:

Exclusions **c.** through **n.** do not apply to damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **SECTION III – LIMITS OF INSURANCE**.

- b. **SECTION III – LIMITS OF INSURANCE**, Paragraph 6. is deleted in its entirety and replaced by the following:

Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems while rented to you or temporarily occupied by you with permission of the owner.

- c. **SECTION V – DEFINITIONS**, Paragraph 9.a., is deleted in its entirety and replaced by the following:

A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

2. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Subsection **4. Other Insurance**, Paragraph **b. Excess Insurance, (1) (a) (ii)** is deleted in its entirety and replaced by the following:

That is insurance for fire, lightning, explosion, smoke, or leakage from automatic fire protective systems for premises rented to you or temporarily occupied by you with permission of the owner;

3. The Damage To Premises Rented To You Limit section of the Declarations is amended to the greater of:

- a. \$1,000,000; or
- b. The amount shown in the Declarations as the Damage to Premises Rented to You Limit.

This is the most we will pay for all damage proximately caused by the same event, whether such damage results from fire, lightning, explosion, smoke, or leaks from automatic fire protective systems or any combination thereof.

F. HIPAA

SECTION I – COVERAGES, COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY, is amended as follows:

- 1. Paragraph **1. Insuring Agreement** is amended to include the following:

We will pay those sums that the insured becomes legally obligated to pay as damages because of a "violation(s)" of the Health Insurance Portability and Accountability Act (HIPAA). We have the right and the duty to defend the insured against any "suit," "investigation," or "civil proceeding" seeking these damages. However, we will have no duty to defend the insured against any "suit" seeking damages, "investigation," or "civil proceeding" to which this insurance does not apply.

- 2. Paragraph **2. Exclusions** is amended to include the following additional exclusions:

This insurance does not apply to:

- a. **Intentional, Willful, or Deliberate Violations**

Any willful, intentional, or deliberate "violation(s)" by any insured.

- b. **Criminal Acts**

Any "violation" which results in any criminal penalties under the HIPAA.

- c. **Other Remedies**

Any remedy other than monetary damages for penalties assessed.

- d. **Compliance Reviews or Audits**

Any compliance reviews by the Department of Health and Human Services.

- 3. **SECTION V – DEFINITIONS** is amended to include the following additional definitions:

- a. "Civil proceeding" means an action by the Department of Health and Human Services (HHS) arising out of "violations."
- b. "Investigation" means an examination of an actual or alleged "violation(s)" by HHS. However, "investigation" does not include a Compliance Review.
- c. "Violation" means the actual or alleged failure to comply with the regulations included in the HIPAA.

G. Medical Payments – Limit Increased to \$20,000, Extended Reporting Period

If **COVERAGE C MEDICAL PAYMENTS** is not otherwise excluded from this Coverage Part:

1. The Medical Expense Limit is changed subject to all of the terms of **SECTION III - LIMITS OF INSURANCE** to the greater of:

- a. \$20,000; or
- b. The Medical Expense Limit shown in the Declarations of this Coverage Part.

2. **SECTION I – COVERAGES, COVERAGE C MEDICAL PAYMENTS**, Subsection 1. **Insuring Agreement**, a. (3) (b) is deleted in its entirety and replaced by the following:

- (b) The expenses are incurred and reported to us within three years of the date of the accident.

H. Athletic Activities

SECTION I – COVERAGES, COVERAGE C MEDICAL PAYMENTS, Subsection 2. **Exclusions**, Paragraph e. **Athletic Activities** is deleted in its entirety and replaced with the following:

e. Athletic Activities

To a person injured while taking part in athletics.

I. Supplementary Payments

SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS - COVERAGE A AND B are amended as follows:

1. **b.** is deleted in its entirety and replaced by the following:

1. **b.** Up to \$5000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these.

- 1.**d.** is deleted in its entirety and replaced by the following:

1. **d.** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$1,000 a day because of time off from work.

J. Employee Indemnification Defense Coverage

SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS – COVERAGES A AND B the following is added:

We will pay, on your behalf, defense costs incurred by an "employee" in a criminal proceeding occurring in the course of employment.

The most we will pay for any "employee" who is alleged to be directly involved in a criminal proceeding is \$25,000 regardless of the numbers of "employees," claims or "suits" brought or persons or organizations making claims or bringing "suits."

K. Key and Lock Replacement – Janitorial Services Client Coverage

SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS – COVERAGES A AND B is amended to include the following:

We will pay for the cost to replace keys and locks at the "clients" premises due to theft or other loss to keys entrusted to you by your "client," up to a \$10,000 limit per occurrence and \$10,000 policy aggregate.

We will not pay for loss or damage resulting from theft or any other dishonest or criminal act that you or any of your partners, members, officers, "employees", "managers", directors, trustees, authorized representatives or any one to whom you entrust the keys of a "client" for any purpose commit, whether acting alone or in collusion with other persons.

The following, when used on this coverage, are defined as follows:

a. "Client" means an individual, company or organization with whom you have a written contract or work order for your services for a described premises and have billed for your services.

b. "Employee" means:

(1) Any natural person:

(a) While in your service or for 30 days after termination of service;

(b) Who you compensate directly by salary, wages or commissions; and

(c) Who you have the right to direct and control while performing services for you; or

(2) Any natural person who is furnished temporarily to you:

(a) To substitute for a permanent "employee" as defined in Paragraph **(1)** above, who is on leave; or

(b) To meet seasonal or short-term workload conditions;

while that person is subject to your direction and control and performing services for you.

(3) "Employee" does not mean:

(a) Any agent, broker, person leased to you by a labor leasing firm, factor, commission merchant, consignee, independent contractor or representative of the same general character; or

(b) Any "manager," director or trustee except while performing acts coming within the scope of the usual duties of an "employee."

c. "Manager" means a person serving in a directorial capacity for a limited liability company.

L. Additional Insureds

SECTION II – WHO IS AN INSURED is amended as follows:

1. If coverage for newly acquired or formed organizations is not otherwise excluded from this

Coverage Part, Paragraph **3.a.** is deleted in its entirety and replaced by the following:

- a. Coverage under this provision is afforded until the end of the policy period.
2. Each of the following is also an insured:
- a. **Medical Directors and Administrators** – Your medical directors and administrators, but only while acting within the scope of and during the course of their duties as such. Such duties do not include the furnishing or failure to furnish professional services of any physician or psychiatrist in the treatment of a patient.
 - b. **Managers and Supervisors** – Your managers and supervisors are also insureds, but only with respect to their duties as your managers and supervisors. Managers and supervisors who are your “employees” are also insureds for “bodily injury” to a co-“employee” while in the course of his or her employment by you or performing duties related to the conduct of your business.

This provision does not change Item 2.a.(1)(a) as it applies to managers of a limited liability company.

- c. **Broadened Named Insured** – Any organization and subsidiary thereof which you control and actively manage on the effective date of this Coverage Part. However, coverage does not apply to any organization or subsidiary not named in the Declarations as Named Insured, if they are also insured under another similar policy, but for its termination or the exhaustion of its limits of insurance.
- d. **Funding Source** – Any person or organization with respect to their liability arising out of:
 - (1) Their financial control of you; or
 - (2) Premises they own, maintain or control while you lease or occupy these premises.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

- e. **Home Care Providers** – At the first Named Insured's option, any person or organization under your direct supervision and control while providing for you private home respite or foster home care for the developmentally disabled.
- f. **Managers, Landlords, or Lessors of Premises** – Any person or organization with respect to their liability arising out of the ownership, maintenance or use of that part of the premises leased or rented to you subject to the following additional exclusions:

This insurance does not apply to:

- (1) Any “occurrence” which takes place after you cease to be a tenant in that premises; or
 - (2) Structural alterations, new construction or demolition operations performed by or on behalf of that person or organization.
- g. **Lessor of Leased Equipment – Automatic Status When Required in Lease Agreement With You** – Any person or organization from whom you lease equipment when you and such person or organization have agreed in writing in a contract or agreement that such person or organization is to be added as an additional insured on your policy. Such person or

organization is an insured only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

A person's or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends.

With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

- h. Grantors of Permits** – Any state or political subdivision granting you a permit in connection with your premises subject to the following additional provision:
- (1) This insurance applies only with respect to the following hazards for which the state or political subdivision has issued a permit in connection with the premises you own, rent or control and to which this insurance applies:
 - (a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures;
 - (b) The construction, erection, or removal of elevators; or
 - (c) The ownership, maintenance, or use of any elevators covered by this insurance.
- i. Vendors** – Only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:
- (1) The insurance afforded the vendor does not apply to:
 - (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
 - (b) Any express warranty unauthorized by you;
 - (c) Any physical or chemical change in the product made intentionally by the vendor;
 - (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (i) The exceptions contained in Sub-paragraphs (d) or (f); or
 - (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
- (2) This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing.
- j. **Franchisor** – Any person or organization with respect to their liability as the grantor of a franchise to you.
- k. **As Required by Contract** – Any person or organization where required by a written contract executed prior to the occurrence of a loss. Such person or organization is an additional insured for "bodily injury," "property damage" or "personal and advertising injury" but only for liability arising out of the negligence of the named insured. The limits of insurance applicable to these additional insureds are the lesser of the policy limits or those limits specified in a contract or agreement. These limits are included within and not in addition to the limits of insurance shown in the Declarations
- l. **Owners, Lessees or Contractors** – Any person or organization, but only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by:
 - (1) Your acts or omissions; or
 - (2) The acts or omissions of those acting on your behalf;in the performance of your ongoing operations for the additional insured when required by a contract.

With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

- (a) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
- (b) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

m. State or Political Subdivisions – Any state or political subdivision as required, subject to the following provisions:

- (1) This insurance applies only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit, and is required by contract.
- (2) This insurance does not apply to:
 - (a) "Bodily injury," "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
 - (b) "Bodily injury" or "property damage" included within the "products-completed operations hazard."

M. Duties in the Event of Occurrence, Claim or Suit

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Paragraph **2.** is amended as follows:

a. is amended to include:

This condition applies only when the "occurrence" or offense is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

b. is amended to include:

This condition will not be considered breached unless the breach occurs after such claim or "suit" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

N. Unintentional Failure To Disclose Hazards

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, **6. Representations** is amended to include the following:

It is agreed that, based on our reliance on your representations as to existing hazards, if you should unintentionally fail to disclose all such hazards prior to the beginning of the policy period of this Coverage Part, we shall not deny coverage under this Coverage Part because of such failure.

O. Transfer of Rights of Recovery Against Others To Us

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, **8. Transfer of Rights of**

Recovery Against Others To Us is deleted in its entirety and replaced by the following:

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

Therefore, the insured can waive the insurer's rights of recovery prior to the occurrence of a loss, provided the waiver is made in a written contract.

P. Liberalization

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, is amended to include the following:

If we revise this endorsement to provide more coverage without additional premium charge, we will automatically provide the additional coverage to all endorsement holders as of the day the revision is effective in your state.

Q. Bodily Injury – Mental Anguish

SECTION V – DEFINITIONS, Paragraph **3**. Is deleted in its entirety and replaced by the following:

"Bodily injury" means:

- a. Bodily injury, sickness or disease sustained by a person, and includes mental anguish resulting from any of these; and
- b. Except for mental anguish, includes death resulting from the foregoing (Item a. above) at any time.

R. Personal and Advertising Injury – Abuse of Process, Discrimination

If **COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY COVERAGE** is not otherwise excluded from this Coverage Part, the definition of "personal and advertising injury" is amended as follows:

1. SECTION V – DEFINITIONS, Paragraph 14.b. is deleted in its entirety and replaced by the following:

- b. Malicious prosecution or abuse of process;

2. SECTION V – DEFINITIONS, Paragraph 14. is amended by adding the following:

Discrimination based on race, color, religion, sex, age or national origin, except when:

- a. Done intentionally by or at the direction of, or with the knowledge or consent of:
 - (1) Any insured; or
 - (2) Any executive officer, director, stockholder, partner or member of the insured;
- b. Directly or indirectly related to the employment, former or prospective employment, termination of employment, or application for employment of any person or persons by an insured;

- c.** Directly or indirectly related to the sale, rental, lease or sublease or prospective sales, rental, lease or sub-lease of any room, dwelling or premises by or at the direction of any insured; or
- d.** Insurance for such discrimination is prohibited by or held in violation of law, public policy, legislation, court decision or administrative ruling.

The above does not apply to fines or penalties imposed because of discrimination.



KITSAP COMMUNITY RESOURCES

Unique Entity ID WYSCRVN33J8	CAGE / NCAE 5RU67	Purpose of Registration Federal Assistance Awards Only
Registration Status Active Registration	Expiration Date Jan 22, 2025	
Physical Address 845 8TH ST Bremerton, Washington 98337-1517 United States	Mailing Address 845 8TH Street Bremerton, Washington 98337-1517 United States	

Business Information

Doing Business as (blank)	Division Name Early Learning & Family Services	Division Number 1
Congressional District Washington 06	State / Country of Incorporation Washington / United States	URL 600217169

Registration Dates

Activation Date Jan 25, 2024	Submission Date Jan 23, 2024	Initial Registration Date Oct 21, 2009
--	--	--

Entity Dates

Entity Start Date Jul 1, 1965	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 Corporate Entity (Tax Exempt)	Entity Type Business or Organization	Organization Factors (blank)
Profit Structure Non-Profit Organization		