

**CITY OF CORONA
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSEMENT CONTRACT
(External)**

ACTIVITY TITLE:

ACTIVITY NUMBER: -431

THIS contract (“CONTRACT”) is made and entered into this **1st day of July, 2025**, by and between the City of Corona and hereinafter called the “City,” and “Subrecipient.” The City and Subrecipient are sometimes hereinafter referred to individually as “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, the City has entered into a contract with the United States of America, through its Department of Housing and Urban Development (“HUD”), to execute the City’s Community Development Block Grant (“CDBG”) Program, under Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.), as amended (hereinafter called the “Act”), Assistance Listing Number 14.218, Federal Award Identification Number **B-25-MC-06-0573**; and

WHEREAS, pursuant to 24 CFR 200, 24 CFR 570.500(c) and 24 CFR 570.501(b), the City may provide CDBG Funds to public or private nonprofit agencies, authorities or organizations, or for-profit entities authorized under 570.201(o) (referred to collectively and individually as “Subrecipients”) to be used by the Subrecipients to provide certain eligible services in connection with the City’s desire to develop viable urban communities, through community development activities, as specified in 24 CFR 570.200 (“CDBG Program”); and

WHEREAS, Subrecipient desires to participate in the CDBG Program as a Subrecipient by providing necessary services to enhance the quality of life for low- and moderate-income citizens in the City; and

WHEREAS, the City has approved the provision of CDBG Program funds to be used by the Subrecipient to provide certain services (the “Activity Services”) as more particularly described in the Activity Detail attached hereto as Exhibit A and incorporated herein; and

WHEREAS, the Subrecipient represents and warrants to the City that the Subrecipient is qualified to provide the Activity Services by reason of experience, preparation, organization, staffing and facilities and that it shall provide the Activity Services as set forth in Exhibit A; and

WHEREAS, the Subrecipient represents and warrants to the City that it shall provide the Activity Services in accordance with the Activity Budget as set forth in Exhibit A.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived there from, the parties agree as follows:

TERMS

1. CONTRACT. This Contract consists of this document and the attached Exhibits A and B.

2. CONTRACT ADMINISTRATION. The City Manager of the City of Corona, hereinafter called the “City Manager”, or the Housing & Homeless Solutions Manager, hereinafter referred to as “His Designee,” shall have full authority to act for City in the administration of this Contract consistent with the provisions contained herein.
3. SCOPE OF SERVICES. The Subrecipient is to perform all the Activity Services set forth in the Activity Description in Exhibit A. The Subrecipient shall perform all Activity Services in accordance with this Contract, including the Recitals and Exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.
4. TIME OF PERFORMANCE. The Activity Services shall commence on **July 1, 2025**, and shall be completed no later than **June 30, 2026** (the “Term of this Contract”).
5. COMPENSATION AND METHOD OF PAYMENT. For such performance of the Activity Services, City shall reimburse Subrecipient an amount not to exceed the amounts indicated in the Activity Budget listed in Exhibit A (“Reimbursement Amount”), which shall constitute full and complete compensation hereunder for the Activity Services. The Reimbursement Amount will only be paid if reimbursable from the federal government under the Act for the amounts indicated in the Activity Budget listed in Exhibit A, or from CDBG Program Income, as described in 24 CFR 570.500(a), and accumulated as a result of this Contract. The Reimbursement Amount shall constitute reimbursement only for allowable costs incurred as a result of the Activity Services. The Parties understand and agree that such reimbursement, if any, shall be conditioned upon the City’s receipt of CDBG Program funds from the federal government or accumulation of CDBG Program Income, as set forth in Section 38 and as a result of this Contract, and shall not be a charge on any other funds of the City.

All requests for reimbursement shall be submitted monthly, on a form acceptable to the City, for costs incurred under this Contract, along with one (1) set of verifiable written supporting documentation of the expenditures by the Subrecipient for the Activity Services (“Supporting Statements”), which shall be submitted to the City in such form acceptable to the City in its sole and absolute discretion. Such Supporting Statement shall be submitted prior to any payment, in whole or in part, by the City of the Reimbursement Amount.

6. BUDGET SECTION. The Subrecipient may not exceed the amounts designated to be spent for the Activity Services as outlined in the Activity Budget in Exhibit A without prior written approval of the City which shall be given or withheld in the City’s sole and absolute discretion.
7. COMPLIANCE WITH LAWS. Both Parties shall be bound by applicable Federal, State, and local laws, ordinances, regulations and directives as they pertain to the performance of this Contract. This Contract is subject to and incorporates the terms of the Act; 24 CFR, Part 570; 2 CFR Part 200 as applicable pursuant to 24 CFR 570.502; and the City’s Contract Accounting and Administration Handbook.

The Subrecipient shall comply with applicable uniform administrative requirements, as described in 24 CFR Part 570.502. The Subrecipient shall carry out each activity in compliance with all Federal laws and regulations described in Subpart K of the CDBG regulations, 24 CFR 570.600 *et seq.*, except that:

- (i) The Subrecipient does not assume the City's environmental responsibilities described at 24 CFR Part 570.604; and
- (ii) The Subrecipient does not assume the City's responsibility for initiating the review process under 24 CFR Part 52.

8. PROGRAM EVALUATION AND REVIEW. During the Term of this Contract, and for a period of three (3) years thereafter, Subrecipient shall make available for inspection by authorized City personnel, the Subrecipient's performance, financial and all other records, including but not limited to procurement, income documentation, and consultant contracts, pertaining to performance of this Contract, and shall allow authorized City personnel to inspect and monitor the Subrecipient's facilities and program operations. Such monitoring may include interviewing Subrecipient staff and CDBG Program participants (beneficiaries), as required by the City.

Subrecipient shall submit all data necessary for the City to complete the Consolidated Annual Performance and Evaluation Report ("CAPER"), on a form acceptable to the City, for submission to HUD. The CAPER is part of the Five-Year Consolidated Plan ("Con Plan") which is submitted to HUD annually reporting on the progress the City has made towards meeting the goals identified in the Con Plan and One-Year Annual Action Plan. Subrecipient also agrees to monitor program accountability and progress in accordance with HUD requirements, in the format and at the time designated by the City Manager, or His Designee.

9. NON-EXPENDABLE PERSONAL PROPERTY. The Subrecipient shall maintain a record for each item of non-expendable property acquired with CDBG Funds in connection with the Activity Services. This record shall be made available to the City upon the City's reasonable notice and request. Nonexpendable personal property means leased and purchased tangible personal property having a useful life of more than one (1) year and an acquisition cost of \$5,000 or more per unit. Nonexpendable property includes tangible personal property, including, but not limited to, office equipment, as well as any funds derived from the sale or disposition of nonexpendable property. Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior written approval of the City and otherwise comply with all applicable federal, state and local laws and regulations. Should this Contract be terminated or expire, the City reserves the right to determine the final disposition of nonexpendable property acquired in connection with the Activity Services with CDBG funds, including funds derived therefrom. Said disposition may include taking possession of the nonexpendable property.

10. REVERSION OF ASSETS. Upon the expiration of this Contract, the Subrecipient shall transfer to the City any remaining CDBG Program funds on hand at the time of expiration or termination and any accounts receivable attributable to the use of CDBG Program funds.

Any real property under the Subrecipient's control that was acquired or improved in whole or in part with CDBG funds in excess of \$25,000 shall be either:

- (i) Used to meet one of the national objectives in 24 CFR 570.208 until five (5) years after termination or expiration of this Contract, or such longer period of time as is specified in Exhibit A; or
- (ii) Not used in accordance with paragraph 10(i) above, in which event the Subrecipient shall reimburse the City an amount of the current market

value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such reimbursement is not required after the period of time and under the conditions specified in subparagraph 10 (i) of the Contract.

11. PURCHASE OR LEASE OF NONEXPENDABLE PERSONAL PROPERTY. Subrecipient shall obtain three (3) documented bids prior to purchasing or leasing any nonexpendable personal property costing over Five Thousand Dollars (\$5,000.00) per unit as approved in the Activity Budget. The Subrecipient shall purchase or lease from the lowest responsive and responsible bidder. All nonexpendable property purchased or leased pursuant to the Contract shall be properly identified and inventoried and shall be charged at its actual price, deducting all cash discounts, rebates and allowances received by Subrecipient. This inventory shall be provided or made available to the City upon request.
12. ACCOUNTING. All CDBG Program funds received by the Subrecipient from the City pursuant to this Contract shall be maintained separate and apart from any other funds of the Subrecipient or of any principal or member of the Subrecipient in an account in a federally insured banking or savings and loan institution. The Subrecipient must establish and maintain on a current basis an adequate accrual accounting system in accordance with generally accepted accounting principles and standards and the City's Contract Accounting and Administration Handbook. Additionally, Subrecipient shall comply with 2 CFR Part 200 Subpart D and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred. Subrecipient shall maintain complete and accurate records with respect to all costs and expenses incurred under this Contract. All such records shall be clearly identifiable. Subrecipient shall allow a representative of the City during normal business hours to examine, audit and make transcripts or copies of such records and any other documents created pursuant to this Contract.
13. THIS PARAGRAPH INTENTIONALLY OMITTED.
14. CHANGES. The City may, from time to time, request changes in the Activity Services to be performed hereunder by the Subrecipient. Such changes, including any increase or decrease in the amount of the Subrecipient's Reimbursement Amount, must be agreed upon by and between the City and the Subrecipient in writing by amending Exhibit A, and shall be incorporated into this Contract.
15. CHANGES IN GRANT ALLOCATION. The City reserves the right to reduce the allocation of CDBG Program funds to the Subrecipient when the City's fiscal monitoring indicates that the Subrecipient's rate of expenditure will result in unspent funds at the end of the program year. Changes in the grant allocation will be made after consultation with the Subrecipient. Such changes shall be incorporated into this Contract by written amendments to Exhibit A.
16. CITIZEN PARTICIPATION. All program data as determined by the City in its sole and absolute discretion to be necessary to provide reports to citizens of the City will be made available by the Subrecipient at the City's request. Discussions between the City and the Subrecipient will be held often enough so that the Subrecipient will be adequately apprised of citizen recommendations during the course of the program. Subrecipient representatives shall be available to respond to questions and receive recommendations at local meetings when so requested by the City Manager, or His Designee.

17. REVENUE DISCLOSURE REQUIREMENT. Upon the City's request, Subrecipient shall file with the City a written statement listing all revenue received, or expected to be received, by Subrecipient from Federal, State, or City sources, or other governmental agencies, and applied, or expected to be applied, to offset, in whole or in part, any of the costs incurred by Subrecipient in conducting current or prospective activities or business activities, including, but not necessarily limited to, the Activity or business activity which is the subject of this Contract. Such statement shall reflect the name and a description of such business activity, the dollar amount of funding provided, or to be provided, by each and every governmental agency for each such activity or business activity, and the full name and address of each governmental agency. Subrecipient shall make available for inspection and audit to City's representatives, upon request, at any time during the duration of this Contract, and during a period of three (3) years thereafter, all of its books and records relating to the operation by it of each activity or business activity which is funded in whole or in part with governmental monies, including the activity funded under this Contract, whether or not such monies are received through the City. All such books and records shall be maintained by Subrecipient at a location in Riverside County.
18. JOINT FUNDING. In addition to the requirements of Section 17 herein, for activities in which there are sources of funds in addition to CDBG Program funds, Subrecipient may be required to provide proof of such funding. The City shall not reimburse the Subrecipient for any costs incurred by Subrecipient which are paid with other funds.
19. ASSURANCES. The Subrecipient hereby assures and certifies that it has complied with the Act, applicable regulations, policies, guidelines and requirements, and that it will comply with all applicable Federal, State and local laws and regulations as they relate to acceptance and use of Federal funds for this Federally-assisted program. Also, the Subrecipient represents and warrants with respect to the Activity Services specified in Exhibit A, that it will comply with all of the provisions of 24 CFR Part 570, as applicable. Subrecipient further represents and warrants that it will comply with any further amendments or changes to said required assurances and certifications that during the Term of this Contract it will maintain current copies of said assurances and certifications at the address specified below.
20. NOTICES. All notices shall be served in writing. The notices to the Subrecipient shall be sent to the following address

Notices, reports and statements to the City shall be delivered or sent to the City Manager, or His Designee at:

**City of Corona
Attn: Jacob Ellis, City Manager
400 S. Vicentia Avenue
Corona, CA 92882**

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first-class postage pre-paid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date

actual notice occurred, regardless of the method of service. Each party shall promptly notify the other of any change in its mailing address.

21. ASSIGNMENT. The Subrecipient shall not assign or transfer any interest in this Contract, whether by assignment, delegation or novation, without the prior express written consent of the City. Any assignment, delegation or novation of the terms of this Contract without the prior written consent of the City shall be null and void and shall constitute a material breach of this Contract.
22. TERMINATION/SUSPENSION. This Contract may be terminated for convenience in accordance with 24 CFR 85.44 at any time by either Party upon giving thirty (30) days' notice in writing to the other Party. City Manager, or His Designee, is hereby empowered to give said notice subject to ratification by the City Council of the City of Corona.

The City may immediately suspend or terminate this Contract if Subrecipient materially fails to comply with any Term of this Contract, or the award which is the subject of this Contract whether stated in a federal statute or regulation, an assurance, in a State Plan or obligation, a Notice of Award, or elsewhere.

Further, City may immediately terminate this Contract upon the termination, suspension, discontinuation or substantial reduction in CDBG funding for the Contract activity or if for any reason the timely completion of the work under this Contract is rendered improbable, infeasible or impossible. In such event, Subrecipient shall be compensated for all Activity Services rendered and all necessarily incurred costs performed in good faith, in accordance with the terms of this Contract, that have not been previously reimbursed, up to the date of said termination, to the extent CDBG funds are available.

23. FISCAL LIMITATIONS. Both Parties acknowledge that the United States of America, through HUD, may, in the future, place programmatic or fiscal limitation(s) on CDBG funds not presently anticipated. Accordingly, the City reserves the right to revise this Contract in order to take into account actions affecting CDBG Program funding. Notwithstanding the provisions of Section 22 herein, in the event of a CDBG funding reduction, the City may: 1) reduce the budget of this Contract, as a whole or as to a cost category; 2) limit the right of the Subrecipient's authority to commit and spend funds; or 3) restrict the Subrecipient's use of both its uncommitted and its unspent funds.

Where HUD has directed or requested the City to implement a reduction in funding, in whole or as to a cost category, with respect to funding for this Contract, the City Manager, or His Designee, may act for the City in implementing and effecting such a reduction and in revising the Contract for such purpose. Where the City Manager has reasonable grounds to question that the Subrecipient has materially complied with the terms of this Contract, City Manager, or His Designee, may act for the City in suspending the operation of this Contract for up to sixty (60) days, upon three (3) days notice to Subrecipient of his intention to so act, pending an audit or other resolution of such questions. In no event, however, shall any revisions made by the City affect expenditures and legally binding commitments made by the Subrecipient before it received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable, that such commitments are consistent with HUD cash withdrawal guidelines, and that the Subrecipient is in compliance with the terms of this Contract.

24. USE OF FUNDS FOR ENTERTAINMENT, MEALS OR GIFTS. Subrecipient represents and warrants that it will not use funds provided through this Contract to pay for entertainment, meals or gifts.
25. INDEMNIFICATION. Subrecipient shall defend, indemnify and hold the City and its directors, officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or in equity, to property or persons, including wrongful death, in any manner arising out of or incident to any actual, alleged or negligent acts, omissions or willful misconduct of Subrecipient, its officials, officers, employees, agents, consultants and contractors arising out of the performance of the Activity Services under this Contract, including without limitation the payment of all consequential damages and attorneys fees and other related costs and expenses. Subrecipient shall defend, at Subrecipient's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the City and its directors, officials, officers, employees, volunteers or agents, in any such aforesaid suit, action or other legal proceeding. Subrecipient shall reimburse the City and its directors, officials, officers, employees, volunteers and/or agents, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Subrecipient's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City and its directors, officials, officers, employees, volunteers or agents.
26. CONFLICT OF INTEREST. The Subrecipient, its agents and employees shall comply with all applicable Federal, State, County and City laws and regulations governing conflict of interest including, but not limited to, 24 CFR 570.611. Subrecipient covenants that in the performance of this Contract no person having such a financial interest shall be employed or retained by the Subrecipient hereunder.

The Subrecipient will make available to its agents and employees copies of all applicable Federal, State, County and City laws and regulations governing conflict of interest within thirty (30) days from the Effective Date of this Contract.

27. DISCRIMINATION.
- (i) Subrecipient represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age, handicap, or any other classification protected by federal or state law.
 - (ii) The Subrecipient shall not discriminate on the ground of race, color, national origin or sex, exclude any person from participation in, deny any person the benefits of, or subject any person to discrimination under any program or activity related to the Activity Services, or otherwise, whether funded in whole or in part with the CDBG Funds.
28. BUDGET MODIFICATIONS. The City Manager or His Designee, may grant budget modifications to this Contract for the movement of funds between the budget categories identified in Exhibit A, provided the modifications do not exceed the total amount of funding provided under this Contract.

29. TIME OF PERFORMANCE MODIFICATIONS. The City Manager or His Designee, may within his or her sole and absolute discretion grant time of performance modifications to this Contract when such modifications:
- (a) Are specifically requested by Subrecipient;
 - (b) Will not change the activity goals or Activity Services (Exhibit A);
 - (c) Are in the best interests of the City and Subrecipient in performing the Activity Services under this Contract; and
 - (d) Do not alter the amount of funding provided under this Contract.
30. AUDIT EXCEPTIONS BY STATE AND FEDERAL AGENCIES. Subrecipient agrees that in the event the program established hereunder is subject to audit exceptions by appropriate State and Federal agencies, it shall be responsible for complying with such exceptions and reimbursing the City the full amount of City's liability to such appropriate State and Federal agency resulting from such audit exceptions.
31. INDEPENDENT CONTRACTOR. Both parties hereto in the performance of this Contract will be acting in an independent capacity and not as agents, employees, partners, joint ventures or associates of one another. The employees or agents of one party shall not be deemed or construed to be the agents or employees of the other party for any purpose whatsoever, including workers' compensation liability. Subrecipient shall bear the sole responsibility and liability for: 1) all wages, salaries, and other amounts due such personnel of Subrecipient in connection with their performance of this Contract; 2) all reports and obligations respecting such personnel including, but not limited to, social security taxes, income tax, withholding, unemployment insurance, and workers' compensation insurance; and 3) furnishing workers' compensation benefits to any person for injuries arising from or connected with services performed on behalf of the Subrecipient pursuant to this Contract.
32. AMENDMENTS/VARIATIONS. This Contract, with Recitals, Exhibits and attachments, embodies the whole of the agreement of the Parties hereto and supersedes all prior negotiations, understandings or agreements. There are no oral agreements not contained herein. Except as herein provided, any addition to or variation of the terms of this Contract shall not be valid unless made in the form of a written amendment of this Contract formally approved and executed by both Parties.
33. ACQUISITION OF SUPPLIES AND EQUIPMENT. The Subrecipient may purchase necessary supplies and equipment from an agency/organization related to or affiliated with Subrecipient only if: (a) prior authorization is obtained in writing from the City; (b) no more than maximum prices or charges are made and no more than minimum specifications are met, as provided in writing by the City; (c) a community related benefit is derived from such Subrecipient related acquisition; and (d) no conflict of interest for private gain accrues to the Subrecipient or its employees, agents or officers.
34. MONITORING AND EVALUATION. The City will monitor, evaluate and provide guidance to the Subrecipient in the performance of this Contract. Authorized representatives of the City and HUD shall have the right of access to all activities and facilities operated by the Subrecipient under this Contract. Facilities include all files, records, and other documents related to the performance of this Contract. Activities include attendance at staff, board of

directors, advisory committee and advisory board meetings, and observation of on-going program functions. The Subrecipient will ensure the cooperation of its staff and board members in such efforts. The City Manager or His Designee may conduct program progress reviews. These reviews will focus on the extent to which planned program has been implemented and measurable goals achieved, effectiveness of program management, and impact of the program.

35. AUDIT. The Subrecipient's program will be audited in accordance with the City's policy and funding source guidelines. The Subrecipient acknowledges that audits may also be conducted by Federal, State or local funding source agencies and shall comply with the audit requirements of such agencies, including but not limited to including but not limited to 2 CFR Part 200 Subpart F. The City or its authorized representatives shall, at all times during the Term of this Contract and for a period of four (4) years thereafter, have access, for the purpose of audit or inspection, to any and all books, documents, papers, records, property, and premises of the Subrecipient. The Subrecipient's staff will cooperate fully with authorized auditors when they conduct audits and examinations of the Subrecipient's program. A financial audit of the Subrecipient's performance under this Contract shall be conducted at City's discretion. If indications of misappropriation or misapplication of the funds of this Contract cause the City to require a special audit, the cost of the audit will be encumbered and deducted from this Contract's Activity Budget. Should the special audit confirm misappropriation or misapplication of funds, the Subrecipient shall reimburse the City within thirty (30) days. In the event the City uses the judicial system to recover the funds, the Subrecipient shall reimburse the City its legal fees and court costs in addition to awards.
36. INSURANCE AND BONDING. Without limiting Subrecipient's indemnification of City, the Subrecipient shall provide and maintain at its own expense during the Term of this Contract a program of insurance satisfactory to the City's Risk Manager covering its operations hereunder as specifically defined in Exhibit B to this Contract, a copy of which is attached hereto and incorporated herein by this reference. Additionally, the Subrecipient shall comply with the bonding requirements of 2 CFR 200.326, if applicable.
37. FAILURE TO PROCURE INSURANCE. Failure on the part of Subrecipient to procure or maintain required insurance shall constitute a material breach of contract under which City may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith. All monies so paid by City shall be repaid by the Subrecipient to City upon demand or City may offset the cost of the premiums against any monies due to the Subrecipient from City.
38. PROGRAM INCOME. The City reserves the right to determine the disposition of any Program Income, as described in 24 CFR Section 570.504 (c), accumulated under the Activity Services set forth in Exhibit A. Subrecipient shall be entitled to utilize, during the Contract duration, any Program Income generated from the Activity Services, as set forth in Exhibit A, specifically and exclusively for the CDBG eligible Activity Services and no other expense of the Subrecipient. Subrecipient shall only use the program income generated under the following conditions: (1) all of the terms and conditions of this Contract shall continue in full force and effect for all Program Income generated; (2) the request for grant funds by the Subrecipient under this Contract shall be adjusted according to 24 CFR Section 570.504 (b)(2)(i) and (ii); (3) all Program Income shall be used by the Subrecipient for immediate cash needs for Activity Services and shall be reported to the City on a monthly basis; (4) any Program Income on hand with the Subrecipient when this Contract terminates, or received after the Contract's termination, shall be returned to the City; and (5) all Program Income

received and expended shall be recorded in the Subrecipient's accounting records and included in each audit.

39. FINANCIAL CLOSEOUT PERIOD. The Subrecipient agrees to complete all necessary financial closeout procedures required by the City Manager or His Designee, within a period of not more than fifteen (15) calendar days from the expiration date of this Contract. This time period will be referred to as the Financial Closeout period. Activities during this period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, Program Income balances and accounts receivable to the City), and determining the custodianship of records. The City is not liable to provide reimbursement for any expenses or costs associated with this Contract after the expiration of the Financial Closeout period. After the expiration of the Financial Closeout period, those funds not paid to the Subrecipient under this Contract, if any, may be immediately reprogrammed by City into other eligible activities in the City. The City Manager, or His Designee, may request a final financial audit for activities performed under this Contract at the expiration of the Financial Closeout period.
40. NEPOTISM. Subrecipient shall not hire nor permit the hiring of any person to fill a position funded through this Contract if a member of that person's immediate family is employed in an administrative capacity by Subrecipient. For the purpose of this section, the term "immediate family" means spouse, child, mother, father, brother, sister, brother-in-law, sister-in-law, father-in-law, mother-in-law, son-in-law, daughter-in-law, aunt, uncle, niece, nephew, stepparent and stepchild. The term "administrative capacity" means having selection, hiring, supervisory or management responsibilities, including serving on the governing body of Subrecipient.
41. RELIGIOUS AND POLITICAL ACTIVITIES. Subrecipient agrees that funds granted by the City under this Contract will be used exclusively for performance of the Activity Services required under this Contract, and that no funds made available under this Contract shall be used to promote religious or political activities. Further, Subrecipient agrees that it will not perform, nor permit to be performed, any religious or political activities in connection with the performance of this Contract, as required under 24 CFR Section 570.200(j). Furthermore, the Subrecipient agrees that no funds provided, nor personnel employed under this contract, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V United States Code.
42. STAFF TRAVEL. Subrecipient shall not incur any expenditures for travel outside of Riverside County unless specifically provided for and itemized in Exhibit A, without prior written approval of City.
43. USE OF FUNDS. All funds approved and allocated to Subrecipient under this Contract shall be used solely for costs approved in the Activity Budget in Exhibit A. Contract funds shall not be used as cash advancement between contracts, as security to guarantee payments for any non-program obligations, or as loans for non-program activities. Separate financial records shall be kept for each funding source.
44. REPORTS AND RECORDS. Subrecipient agrees to maintain, prepare and submit financial, program progress, monitoring, evaluation and other reports as required by City and Federal regulations, including but not limited to 24 CFR 570.506. Program progress reports shall be submitted on a quarterly basis, in the form specified by the City Manager or His Designee. Subrecipient shall maintain, and permit on-site inspections of such property, personnel,

financial and other records and accounts as are considered necessary by City to assure proper accounting for all Contract CDBG funds during the Term of this Contract and for a period of five (5) years thereafter. Subrecipient will ensure that its employees and board members furnish such information which, in the judgment of City representatives, may be relevant to a question of compliance with contractual conditions with City or granting agency directives, or with the effectiveness, legality and achievements of the program.

45. EXPENDITURES. Expenditures made by Subrecipient in the operation of this Contract shall be in strict compliance and conformity with the Activity Budget set forth in Exhibit A, unless prior written approval for an exception is obtained from City Manager or His Designee.
46. FEDERAL LOBBYIST REQUIREMENTS. The Subrecipient is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and 2 CFR Part 200, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment or modification of said documents.

The Subrecipient must certify in writing that they are familiar with the Federal Lobbyist Requirements and that all persons and/or subcontractors acting on behalf of the Subrecipient will comply with the Lobbyist Requirements.

Failure on the part of the Subrecipient or persons/subcontractors acting on behalf of the Subrecipient to fully comply with the Federal Lobbyist Requirements shall be subject to civil penalties.

47. LOBBYING CERTIFICATION. The following is applicable to activities utilizing funds received from the 2025-2026 allocations.

The undersigned certify, to the best of their knowledge and belief, 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 any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, or any 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 sub-awards at all tiers (including subcontracts, sub-grants, 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.

48. CERTIFICATION PROHIBITING USE OF EXCESSIVE FORCE. In accordance with Section 519 of Public Law 101-144, the Subrecipient certifies, to the best of his or her knowledge and belief, that it has adopted and is enforcing:

(1) A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

(2) A policy of enforcing applicable State and local laws against individuals physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

49. DRUG-FREE WORKPLACE. Subrecipient agrees to provide a drug-free workplace by:

(1) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Subrecipient's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(2) Establishing an ongoing drug-free awareness program to inform employees about -

- a. The dangers of drug abuse in the workplace;
- b. The Subrecipient's policy of maintaining a drug-free workplace;
- c. Any available drug counseling, rehabilitation, and employee assistance programs; and
- d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(3) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1 of this Section;

(4) Notifying the employee in the statement required by paragraph 1 of this Section that, as a condition of employment under the grant, the employee will -

- a. Abide by the terms of the statement; and
- b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five (5) calendar days after such conviction;

(5) Notifying the City in writing, within ten (10) calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was

working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(6) Taking one of the following actions, within thirty (30) calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -

- a. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
- b. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(7) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5, and 6.

50 ACTIVITY LOCATION(S). The site(s) for the Performance of Work in connection with the specific grant is/are;

Various locations (Citywide) in the City of Corona.

51 RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN. The City acknowledges that Section 104(d) of the Housing and Community Development Act of 1974, also known as the Barney Frank Amendment, requires relocation assistance for displaced low-income families and requires one-for-one replacement of low/moderate income dwelling units that are demolished or converted to other use. When CDBG Program funds are used in an activity, including financing for rehabilitation, or activity delivery costs, Section 104(d) is triggered. CDBG Regulations further describe the requirements under 24 CFR Section 570.606 Displacement, Relocation, Acquisition, and Replacement of Housing.

Subrecipient must adopt and make public a Residential Anti-displacement and Relocation Assistance Plan as part of its administrative requirements to HUD. Before Subrecipient enters into a contract committing it to provide funds for any activity that will directly result in the demolition, or conversion to another use, of low/moderate-income dwelling units, it must make public and submit to HUD the information as described in Section 24 CFR 570.606, et seq.

Subrecipient agrees to comply with the (a) Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. The Subrecipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted activity. The Subrecipient shall comply with applicable City ordinances, resolutions and policies concerning the displacement of persons from their residences.

52. PROPERTY MAINTENANCE STANDARDS. Subrecipient represents and warrants that sufficient property maintenance shall be provided to the facility where Activity Services are

being provided. Property maintenance includes, but is not limited to, removal of trash and debris, graffiti abatement, landscaping and maintenance of appropriate physical appearance.

53. SECTION 3. In accordance with the Housing and Urban Development Act of 1968, the Subrecipient and, where applicable, its contractor(s) and subcontractor(s) shall comply with Section 3 regulations as described in 24 CFR Part 75.

54. AMERICANS WITH DISABILITIES ACT. The Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155.201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy after January 26, 1993 that is readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable--that is, easily accomplishable and able to be carried out without much difficulty or expense. The Subrecipient shall comply with the ADA.

55. CIVIL RIGHTS.

A. Civil Rights

1. Compliance

Subrecipient agrees to comply with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, and Executive Order 11063.

2. Nondiscrimination

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

3. Land Covenants

This Contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon,

providing that the City and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the handicapped in any Federally assisted program. The City shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the Term of this Contract.

B. Other Federal Requirements

1. THIS PARAGRAPH INTENTIONALLY OMITTED.
2. THIS PARAGRAPH INTENTIONALLY OMITTED.
3. Access to Records

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

4. Notifications

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

5. Equal Employment Opportunity

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

6. Subcontract Provisions

Subrecipient will include the provisions of Section 55 B 1 through 6 in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own Subrecipients or subcontractors.

C. Labor Standards

Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours, the Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C. 276, 327-333) and all other

applicable federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Contract. Subrecipient shall maintain documentation which demonstrates compliance with hour and wages requirements of this part. Such documentation shall be made available to City for review upon request.

Subrecipient agrees that, except with respect to the rehabilitation of residential property designed for residential use for less than eight (8) households, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair of any building or work financed in whole or in part with assistance provided under this Contract, shall comply with federal requirements adopted by City pertaining to such contract, and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR, Parts 3, 1, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journeymen; provided, that if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve Subrecipient of its obligation, if any, to require payment of the higher wage. Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph, for such contracts in excess of \$10,000.00.

56. ENVIRONMENTAL CONDITIONS

A. Air and Water

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

- Clean Air Act, 42 U.S.C., 7401, et seq.
- Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 1251 and Section 1318, and all regulations and guidelines issued thereunder.
- Environmental Protection Agency (EPA) regulations pursuant to 40 C.F.R., Part 50, as amended.
- National Environmental Policy Act of 1969.
- HUD Environmental Review Procedures (24 CFR, Part 58).
- California Environmental quality Act of 1974.

B. Flood Disaster Protection

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

C. Lead-Based Paint

Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this contract shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such

notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken.

D. Historic Preservation

Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this contract.

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

57. CONFIDENTIALITY OF REPORTS. Subrecipient shall keep confidential all reports, information and data received, prepared or assembled pursuant to the performance of the Contract. Such materials shall not be made available to any person, firm, corporation or entity without the prior written consent of the City. Such materials shall not, without prior written consent of the City, be used by the Subrecipient for any purposes other than the performance of the Activity Services.
58. SAFETY STANDARDS AND ACCIDENT PREVENTION. The Subrecipient shall comply with all applicable federal, state local laws, rules and regulations governing safety, health and sanitation. The Subrecipient shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. The Subrecipient shall provide all safe guard, safety devices and protective equipment and take any other needed actions, as its own responsibility, reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of this Contract.
59. SEVERABILITY. In the event that any provision contained in this Contract is held to be invalid, void, or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Contract and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope of breadth, such provision shall be deemed valid to the extent of the scope of breadth permitted by law.
60. INTERPRETATION. No provision of this Contract is to be interpreted for or against either Party because that Party or that Party's legal representative drafted such provision, but this Contract is to be construed as if it were drafted by both Parties hereto.
61. WAIVER. No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision hereof. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.

62. TERMINATION FOR IMPROPER CONSIDERATION. In addition to the provisions of Section 22, the City may, by written notice to the Subrecipient, immediately terminate the right of the Subrecipient to proceed under this Contract if it is found that improper consideration, in any form, was offered or given by the Subrecipient, either directly or through an intermediary, to any City officer, employee or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment or extension of the Contract or the making of any determinations with respect to the Subrecipient's performance pursuant to the Contract. In the event of such termination, the City shall be entitled to pursue the same remedies against Subrecipient as it could pursue in the event of default by the Subrecipient.
63. ENTIRE CONTRACT/INCORPORATION. This Contract constitutes the entire understanding and agreement of the Parties. The Recitals, the Exhibits, and other attachments constitute a material part of this Contract and are hereby incorporated herein by reference as though fully set forth herein.
64. ATTORNEYS' FEES. In the event of the bringing of an arbitration, action or suit by a Party hereto against another Party by reason of any breach of any of the terms or any intentional inaccuracies in any of the representations and warranties on the part of the other Party arising out of this Contract, the prevailing Party in such action or dispute, whether by final judgment or arbitration award, shall be entitled to have and recover all costs and expenses of suit or claim, including attorneys' fees.
65. BENEFIT. The terms of this Contract shall be binding upon and inure to the benefit of the Parties hereto and their successors and assigns.
66. COUNTERPARTS. This Contract may be executed in counterparts. When executed, each counterpart shall be deemed an original, irrespective of date of execution. Said counterparts shall together constitute one and the same Contract.
67. LAWS GOVERNING THIS CONTRACT. This Contract shall be governed by and construed in accordance with the laws of the State of California, all applicable federal statutes and regulations as amended, and all applicable local laws.
68. NO THIRD PARTY BENEFICIARIES. The performance of the City's and the Subrecipient's respective obligations under this Contract are not intended to benefit any Party other than the City and Subrecipient, except as expressly provided otherwise herein.
69. USE OF RECYCLED-CONTENT PAPER PRODUCTS. To the extent practicable, Subrecipient is encouraged to reduce the amount of solid waste deposited at the County landfills, the Subrecipient agrees to use recycled-content paper to the maximum extent possible on the Activity.

IN WITNESS WHEREOF, the City Council of the City of Corona has caused this Contract to be subscribed by the City Manager or His Designee, and the Subrecipient has subscribed the same through its authorized officers, the day, month and year first above written.

CITY OF CORONA:

SUBRECIPIENT:

By: _____
Jacob Ellis
City Manager

By: _____

Date: _____

Date: _____

Community Development Block Grant Program
 Subrecipient Agreement
 Exhibit A: Activity Detail

<p>RECIPIENT INFORMATION</p> <p>Agency Name:</p> <p>Contact Information:</p>	<p>FEDERAL AWARD INFORMATION</p> <p>Federal Awarding Agency Name: U.S. Department of Housing and Urban Development</p> <p>Assistance Listing Title: Community Development Block Grants / Entitlement Grants</p> <p>Assistance Listing Number: 14.218</p> <p>Federal Award Identification Number (FAIN): B-25-MC-06-0573</p>
<p>SUBRECIPIENT INFORMATION</p> <p>Agency Name:</p> <p>Agency Type:</p> <p>Unique Entity Identifier (UEI):</p> <p>Tax ID Number (TIN):</p> <p>Contact Person:</p> <p>Authorized Official:</p>	<p>SUBAWARD INFORMATION</p> <p>Version: 1.0 Fiscal Year: 2025-2026</p> <p>Start Date: 07/01/2025 End Date: 06/30/2026</p> <p>Indirect Cost Rate:</p> <p>Funding Amount:</p> <p>Amount Previously Approved \$0</p> <p>Amount Approved by this Action</p> <p>Total Amount Approved</p>

Community Development Block Grant Program
 Subrecipient Agreement
 Exhibit A: Program Detail

ACTIVITY INFORMATION	PERFORMANCE MEASUREMENT PLAN		
Activity Name:	Start Date: 07/01/2025	End Date: 06/30/2026	
Eligibility Citation:	Activity Description:		
National Objective Citation:	Performance Goal:	Performance Indicator:	
Objective:	Accomplishments	%	Target Date
Outcome:		25%	9/30
R&D: No		50%	12/31
		75%	3/31
		100%	6/30

Disbursement of grant funds shall be proportional to the Subrecipient's progress in meeting the activity-specific performance measures outlined in the Performance Measurement Plan. The City shall not disburse funds at a rate that exceeds the Subrecipient's demonstrated progress toward these performance targets. This requirement shall no longer apply once the Subrecipient has achieved as least ninety percent (90%) of the specified performance measurements.

Community Development Block Grant Program
Subrecipient Agreement
Exhibit A: Program Detail

ACTIVITY BUDGET

No expenses may be incurred under this Agreement until it has been fully executed. Additionally, the Subrecipient is advised to review Section 5 of this Agreement, which outlines specific conditions that must be met prior to the disbursement of program funds.

All reimbursement requests must be received by no later than 5:00 p.m. on July 10, 2026. Requests submitted after this deadline will not be paid.

To ensure compliance with federal timeliness requirements, the Subrecipient must submit sufficient documentation to justify reimbursement of at least seventy-five percent (75%) of the total grant funds by April 10, 2026, for expenses incurred through March 31, 2026 (the "Timeliness Test Date"). If the City is unable to reimburse at least 75% of the grant by this date, the City reserves the right to deobligate the shortfall. Any deobligated funds will be removed from this Contract and shall not be available for reimbursement.

EXHIBIT B INSURANCE REQUIREMENTS

Pursuant to Sections 36 and 37 of the Contract, Subrecipient shall obtain, and shall require its sub-contractors to obtain, insurance of the types and in the amounts described below and in a form and with carriers satisfactory to the City.

COMMERCIAL GENERAL LIABILITY INSURANCE

Subrecipient shall maintain occurrence version commercial general liability insurance, or equivalent form, with a combined single limit of not less than \$1,000,000 per occurrence for bodily injury, personal and advertising injury and property damage. If such general liability insurance or other form with general aggregate limit is used, it shall apply separately to this Contract or be no less than two times the occurrence limit. Such insurance shall name the City, its officials, officers, directors, employees, agents and volunteers, and the Subrecipient as insureds with respect to performance of this Contract and shall contain no special limitations on the scope of coverage or the protection afforded to these insureds. Additionally, such insurance shall be primary with respect to any insurance or self-insurance programs covering the City, its officials, directors, officers, employees, agents and volunteers, and Subrecipient, or, if excess, shall stand in an unbroken chain of coverage in excess of the Subrecipient's scheduled underlying coverage.

AUTOMOBILE LIABILITY INSURANCE

Subrecipient shall maintain business automobile liability insurance, or equivalent form, with a combined single limit of not less than \$1,000,000 per accident for bodily injury and property damage. Such insurance shall include coverage for automobiles which are owned, leased, hired and non-owned by the Subrecipient, or for which the Subrecipient is responsible. Such insurance shall contain no special limitations on the scope of coverage or the protection afforded to these insureds. Additionally, such insurance shall be primary with respect to any insurance or self-insurance programs covering the City, its officials, officers, employees, agents, and Subrecipient.

WORKERS' COMPENSATION

Subrecipient shall maintain workers' compensation insurance with statutory limits, and employers' liability insurance with limits of not less than \$1,000,000 for each accident for bodily injury or disease. Such insurance shall contain no special limitations on the scope of coverage or the protection afforded to these insureds. Additionally, such insurance shall be primary with respect to any insurance or self-insurance programs covering the City, its officials, directors, officers, employees, agents and volunteers, and Subrecipient. The insurer shall agree to waive all rights of subrogation against the City, its officials, directors,

officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work or services performed by the Subrecipient.

CERTIFICATES OF INSURANCE

Subrecipient shall, prior to the commencement of the Activity Services to be provided under this Contract, furnish the City with properly executed certificates of insurance and, if requested by City, copies of endorsements and policies, which clearly evidence all insurance required under this Contract and provide that such insurance shall not be cancelled or allowed to expire except on thirty (30) days advance, prior written notice to the City. City shall have the sole discretion to determine whether the certificates and endorsements presented comply with the provisions of this Contract. Subrecipient understands the importance of the insurance requirements of this Exhibit B to the City and agrees to comply with it in full.

COVERAGE MAINTENANCE

Subrecipient shall immediately replace certificates, policies and endorsements for any insurance expiring prior to the completion of services under this Contract. Further, Subrecipient shall maintain such insurance during the time the Time for Performance as defined in Section 4 of the Contract, except as otherwise provided by this Contract.

ADDITIONAL REQUIREMENTS

The insurance policies required herein shall be "occurrence," not "claims made," policies and shall be primary and non-contributing to any insurance that the City may elect to obtain. All insurance required by this Exhibit B shall contain standard of separation of insured provisions.

All insurance shall be placed with carriers satisfactory to the City. Carriers will be listed by A M Best at least at A VIII and be California Admitted, or if not California Admitted, must be listed by A M Best at A X or higher.