CC:bh
08/04/2016
Item No. 27

AN ORDINANCE 2016-08-04-0554

ADOPTING THE FY 2017 ACTION PLAN AND BUDGET INCLUDING THE 42ND YEAR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) BUDGET IN THE TOTAL AMOUNT OF $13,247,418.00; THE 25TH YEAR HOME INVESTMENT PARTNERSHIPS PROGRAM ENTITLEMENT GRANT (HOME) BUDGET IN THE TOTAL AMOUNT OF $7,544,357.00; THE 22ND YEAR HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS ENTITLEMENT GRANT (HOPWA) BUDGET IN THE TOTAL AMOUNT OF $1,244,429.00; AND THE 22ND YEAR HEARTH EMERGENCY SOLUTIONS ENTITLEMENT GRANT (HESG) BUDGET IN THE TOTAL AMOUNT OF $1,047,124.00; AUTHORIZING A PERSONNEL COMPLEMENT; AUTHORIZING A SUBSTANTIAL AMENDMENT TO THE FY 2013 – FY 2015 ANNUAL ACTION PLANS AND BUDGETS TO ALLOW FOR CITY-WIDE APPLICATION OF THE OWNER OCCUPIED REHABILITATION AND HOMEBUYER INCENTIVE PROGRAMS; AND AUTHORIZING THE SUBMISSION OF THE GRANTS, CERTIFICATION AND OTHER INFORMATION AS REQUIRED BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD).

* * * * *

WHEREAS, the U.S. Department of Housing and Urban Development (HUD), pursuant to the Housing and Community Development Act of 1974, as amended (Public Law 93-383), provides cities with annual grant support to enable (i) the rehabilitation and economic development of urban communities so as to improve conditions for low and moderate income citizens; (ii) the rehabilitation and development of affordable housing in urban communities so as to improve conditions for low and moderate income citizens; (iii) the rehabilitation, supportive services, and operations of emergency shelters in urban communities so as to improve conditions for homeless persons and families; and (iv) the acquisition and/or rehabilitation of facilities, supportive services, and operations in urban communities so as to improve conditions for persons with HIV/AIDS and their families; and

WHEREAS, the City of San Antonio, through its Community Development Block Grant (CDBG) Program, has administered CDBG grant funds annually beginning with Fiscal Year 1974-1975 (Year 1) and continuing through Fiscal Year 2015-2016 (Year 41); and

WHEREAS, the City of San Antonio, through its HOME Investment Partnerships Entitlement Grant (HOME) Program, has administered HOME grant funds annually beginning with Fiscal Year 1992-1993 (Year 1) and continuing through Fiscal Year 2015-2016 (Year 24); and

WHEREAS, the City of San Antonio, through its Housing Opportunities for Persons With AIDS Entitlement Grant (HOPWA) Program, has administered HOPWA grant funds annually beginning with Fiscal Year 1995-1996 (Year 1) and continuing through Fiscal Year 2015-2016 (Year 21); and

WHEREAS, the City of San Antonio, through its HEARTH Emergency Solutions Entitlement Grant (HESG) Program, has administered HESG grant funds annually beginning with Fiscal Year 1995-1996 (Year 1) and continuing through Fiscal Year 2015-2016 (Year 21); and

WHEREAS, pending completion of all required administrative procedures required for official HUD release of funds, Fiscal Year 2016-2017 CDBG Entitlement funds in the amount of $13,247,418.00, Fiscal Year 2016-2017 HOME Entitlement funds in the amount of $7,544,357.00, Fiscal Year 2016-2017 HOPWA Entitlement funds in the amount of $1,244,429.00, and Fiscal Year 2016-2017 HESG Entitlement funds in the amount of $1,047,124.00 will become available to the City on October 1, 2016; and

WHEREAS, pursuant to the Stewart B. McKinney Homeless Assistance Act of 1987, as amended, HESG funds must be matched locally on a $1:$1 basis from other resources; and

WHEREAS, as required by federal regulation, the Fiscal Year 2016-2017 Annual Action Plan and Budget was prepared, encompassing grant funds of the 42nd Year CDBG Program, the 25th Year HOME Program, the 22nd Year HOPWA Program, and the 22nd Year HESG Program; and

WHEREAS, the City Council wishes to authorize a Substantial Amendment to the Fiscal Years 2013-2015 Annual Action Plans and Budgets to allow for city-wide application of the Owner Occupied Rehabilitation and Homebuyer Incentive Programs, which are both administered by and funded through the HOME Program; and

WHEREAS, citizen recommendations regarding the allocation of the aforestated grant funds have heretofore been received at neighborhood and city-wide meetings and at public hearings, notices of which were duly posted; and

WHEREAS, the City Council also desires to designate the Grants Administrator for the Office of Grants Monitoring and Administration as the Certifying Official concerning the National Environmental Policy Act (NEPA) and other related laws governing HUD's Environmental Review requirement; and

WHEREAS, in connection with the current CDBG Program, the sum of $1,540,000.00 in reprogrammed funds is currently available in CDBG funds for said reprogramming and reallocation; and

WHEREAS, in connection with the HOME Program, the sum of $2,700,000.00 in reprogrammed funds is currently available in HOME funds for said reprogramming and reallocation; and

WHEREAS, the required notice having been duly published, and said public hearing having been held before City Council on August 3, 2016, it is now the desire of the City, having considered the aforesaid citizen recommendations, to approve the CDBG, HOME, HOPWA, and HESG Budgets as part of the Fiscal Year 2016-2017 Annual Action Plan and Budget, and to fund the 42nd Year CDBG Program, the 25th Year HOME Program, the 22nd Year HOPWA Program, and the 22nd Year HESG Program on the City's books, and to formally resolve the issue of allocating the program income of CDBG and HOME funds; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The Community Development Block Grant (CDBG 42nd Year) budget in the amount of $13,247,418.00; the HOME Investment Partnerships Program Entitlement Grant (HOME 25th Year) budget in the amount of $7,544,357.00; the Housing Opportunities for Persons With AIDS

Entitlement Grant (HOPWA 22nd Year) budget in the amount of $1,244,429.00; and the HEARTH Emergency Solutions Entitlement Grant (HESG 22nd Year) budget in the amount of $1,047,124.00, as each grant budget is contained in the FY 2016-2017 Action Plan and Budget, are hereby approved and adopted as set forth therein, copies of which are affixed hereto and incorporated by reference herein as **Attachment I**.

SECTION 2. The reprogramming and reallocation of $1,540,000.00 in CDBG funds and $2,700,000.00 in HOME funds, included in the total amount, are hereby approved.

SECTION 3. The 42nd Year Community Development Block Grant (CDBG) Program, the 25th Year HOME Investment Partnerships Entitlement Grant (HOME) Program, the 22nd Year Housing Opportunities for Persons With Aids Entitlement Grant (HOPWA) Program, the 22nd Year HEARTH Emergency Solutions Entitlement Grant (HESG) Program, and the Emergency Solutions Grant In-Kind Match, beginning October 1, 2016 and terminating September 30, 2017, is hereby authorized.

SECTION 4. Subject to and upon award, Fund Number 28242000 entitled "Community Development Block Grant 42nd Year" is hereby designated for use in the accounting for the above grant and the total sum of $13,247,418.00 is hereby appropriated in said fund for allocation to projects. A formal final budget including General Ledger numbers and Internal Order numbers will be submitted to the Finance Department upon approval of the above proposed budget.

SECTION 5. Subject to and upon award, Fund Number 25225000 entitled "Home Entitlement Block Grant 25th Year" is hereby designated for use in the accounting for the above grant and the total sum of $7,544,357.00 is hereby appropriated in said fund for allocation to projects. A formal final budget including General Ledger numbers and Internal Order numbers will be submitted to the Finance Department upon approval of the above proposed budget.

SECTION 6. Subject to and upon award, Fund Number 26054000 entitled "Dept. of Housing & Urban Development" is hereby designated for use in the accounting for the above grant and the total sum of $1,244,429.00 is hereby appropriated in said fund for allocation to projects to fund the ongoing HOPWA Program. A formal final budget including General Ledger numbers and Internal Order numbers will be submitted to the finance Department upon approval of the above proposed budget.

SECTION 7. Subject to and upon award, Fund Number 26054000 entitled "Dept. of Housing & Urban Development" is hereby designated for use in the accounting for the above grant and the total sum of $1,047,124.00 is hereby appropriated in said fund for allocation to projects to fund the ongoing HESG Program. A formal final budget including General Ledger numbers and Internal Order numbers will be submitted to the Finance Department upon approval of the above proposed budget.

SECTION 8. The Deputy City Managers, all Assistant City Managers, Assistants to the City Manager, the Director of the Department of Planning and Community Development, the Grants Administrator of the Division of Grants Monitoring and Administration, and the Director of the Department of Human Services are hereby designated and authorized as representatives of the City Manager for the purpose of CDBG, HOME, HOPWA, and HESG program administration and communication with the U.S. Department of Housing and Urban Development (HUD).

SECTION 9. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, the Grants Administrator of the Division of Grants Monitoring and Administration, or the Director of the Department of Human Services, is hereby authorized to submit to HUD those documents set forth herein as **Attachment I**, with certifications, as well as such other information as required by HUD for award of the aforestated entitlement funds.

SECTION 10. Subject to and upon award of the aforesaid grant funds, the City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, the Grants Administrator of the Division of Grants Monitoring and Administration, or the Director of the Department of Human Services, is hereby authorized to accept same and to execute any and all documents required by HUD in connection therewith.

SECTION 11. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, or the Grants Administrator of the Division of Grants Monitoring and Administration, is hereby directed to monitor all CDBG-funded neighborhood revitalization and public service project activities and HOME-funded project activities so as to assure compliance with goals and objectives adopted by City Council; substantial fiscal or programmatic changes thereto shall in all cases be approved by the City Council.

SECTION 12. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, or the Grants Administrator of the Division of Grants Monitoring and Administration, is hereby given authority to approve the 25th Year HOME Program Administrative budget for the City's Division of Grants Monitoring and Administration with a total budget not to exceed that set forth pursuant to **Attachment I** affixed hereto.

SECTION 13. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, the Grants Administrator of the Division of Grants Monitoring and Administration, or the Director of the Department of Human Services, is hereby authorized and directed to carry out the administration of the 42nd Year CDBG Program, the 25th Year HOME Program, the 22nd Year HOPWA Program, and the 22nd Year HESG Program. Such administration shall include, but not be limited to, the execution of any and all contracts and other documents necessary in connection with the 42nd Year CDBG Program, the 25th Year HOME Program, the 22nd Year HOPWA Program, and the 22nd Year HESG Program, examples of such contracts and documents, which may be amended and revised from time to time, are affixed hereto and incorporated herein for all purposes as **Attachments II**, **III**, and **IV**, and the reaffirmation of any and all assurances required of the City by HUD.

SECTION 14. A Substantial Amendment to the Fiscal Years 2013-2015 Annual Action Plans and Budgets allowing for city-wide application of the Owner Occupied Rehabilitation and Homebuyer Incentive Programs is hereby approved.

SECTION 15. The Grants Administrator of the Division of Grants Monitoring and Administration is hereby designated as the Certifying Official for the National Environmental Protection Act (NEPA) and related laws governing HUD's Environmental review requirement.

SECTION 16. The Director of the Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration is hereby authorized to execute any and all documents in connection with each project delineated in **Attachment I**. Further, the Director of the Department of Planning and Community Development, or, in such Director's stead, the Assistant Director of the City's housing programs in the Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration, is hereby authorized to execute any and all documents in connection with all Owner-Occupied Reconstruction, Rental Rehabilitation, and housing revitalization programs. Sub-grantee contracts and Final Notices to Proceed are hereby required to contain acceptable detailed performance indicators for each project and the information for such contracts and agreements must be finalized on or before November 1, 2016 in order to facilitate their execution. The Director of the Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration and the Director of the Finance Department are hereby authorized and directed to automatically cancel and move the full budget allocation provided to any project, including City Administration project allocations, for which acceptable performance indicators are not provided, or for which information for contract/Final Notice to Proceed execution has not been received by the appropriate City department by November 1, 2016, to the CDBG Contingency Account in preparation for timely reprogramming to other eligible activities. Additionally, the Director of the Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration is hereby authorized to cancel any project activity set-up in the HUD IDIS system for which no activity is evidenced for a forty-five (45) day period.

SECTION 17. The Director of the Department of Planning and Community Development, or, in such Director's stead, the Assistant Director of the City's housing programs in the Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration, is hereby authorized to execute any and all loan documents in connection with the Homeownership Incentive Program, Owner-Occupied Housing Rehabilitation, Rental Rehabilitation, and housing revitalization projects delineated in **Attachment I**. Sub-recipient contracts and project loan documents are hereby required to contain acceptable detailed performance indicators for each project and the information for such contracts and loan documents must be finalized on or before November 1, 2016 in order to facilitate their execution. The Director of the Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration and the Director of the Finance Department are hereby authorized to cancel and move the full budget allocation provided to any project for which acceptable required loan document information or performance indicators are not provided, or for which information for contract/loan document execution has not been received by the appropriate City department by November 1, 2016, to the HOME Contingency Account in preparation for timely reprogramming to other eligible activities. Additionally, the Grants Administrator of the Division of Grants Monitoring and Administration is hereby authorized to cancel any project activity set-up in the HUD IDIS system for which no activity is evidenced for a forty-five (45) day period.

SECTION 18. The Director of the Department of Human Services is hereby authorized to execute any and all agreements with delegate agencies and/or City departments for each project and for the

amounts appropriated as delineated in **Attachment I**. Delegate agency contracts are hereby required to contain acceptable detailed performance indicators for each project and the information for such contracts and agreements must be finalized on or before November 1, 2016 in order to facilitate their execution. The Directors of the Human Services and Finance Departments are hereby authorized and directed to automatically cancel and move the full budget allocation provided to any project, including City Department project allocations, for which acceptable performance indicators are not provided, or for which information for contract/Final Notice to Proceed execution has not been received by the appropriate City department by November 1, 2016, to the HOPWA Contingency Account and the HESG Contingency Account in preparation for timely reprogramming to other eligible activities.

SECTION 19. All Community Housing Development Organizations (CHDOs) receiving HOME funds are hereby authorized to establish the HOME Revolving Loan Funds for their HOME-funded housing programs, and loan repayments and interest, designated as proceeds, are hereby authorized to be deposited in said Revolving Loan Fund. Funds designated as proceeds shall be used for HOME eligible projects to benefit low-income families. Recaptured funds from projects no longer meeting HUD affordability requirements may be retained by CHDOs for HOME eligible projects, as incorporated in the HOME Policy Guide and as approved by the City or repaid to the City. Additionally, HOME funds for projects that are terminated before completion, either voluntarily or otherwise, shall be repaid to City. CHDOs shall report revenues and expenditures of CHDO proceeds and CHDO recaptured funds to be received by the Division of Grants Monitoring and Administration staff on or before the tenth (10th) calendar day of each month. These provisions shall be specified in a written agreement with the CHDO. In compliance with HUD regulations, the Finance Department, upon receipt of the revenue and expenditure reports, is hereby authorized to incorporate the program income in Fund Number 25225000, and to appropriate said amounts to HOME Project entitled "CHDO Revolving Loan Account."

SECTION 20. The Director of the Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration is hereby authorized to cancel and reprogram any and all budget allocations provided to any project, in the event any sub-grantee contract, sub-recipient, Final Notices to Proceed, and/or delegate agency contract is not executed by January 1, 2017.

SECTION 21. All projects in CDBG Entitlement Program funds for the 41st Year and HOME 24th Year Projects with completed scopes of work are hereby closed and unexpended grant monies and program income in said funds are hereby authorized to be placed in the contingency fund in preparation for future reprogramming in compliance with City policies and HUD regulations and up to ninety (90) days is allowed to move into the fund after the contract ceases.

SECTION 22. Transfer of funds, expenditures, and encumbrances necessitated and scheduled pursuant to the aforesaid **Attachment I** is hereby authorized for entry into the budgets as therein described.

SECTION 23. The City's Director of Finance is hereby authorized to effect on the books of the City the cancellations, revisions, and/or reprogramming in support thereof, set forth in **Attachment I**. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, or the Grants Administrator of the Division of Grants Monitoring and Administration, is hereby

authorized to execute any and all contracts and other documents as necessary for (a) implementation of the reductions, revisions, and reprogramming set forth in **Attachment I**; and (b) compliance with HUD regulations and procedures, and to submit all certifications and such other information to and as required by HUD.

SECTION 24. The Grants Administrator of the Division of Grants Monitoring and Administration is hereby designated the Program Manager for the CDBG Program. Further program responsibilities shall be as follows:

(a) The Division of Grants Monitoring and Administration shall administer and monitor all CDBG and HOME Programs and fiscal activities and requests, and the Department of Human Services shall monitor all HOPWA and HESG programs and fiscal activities and requests;

(b) The Human Resources Department shall monitor all projects and sub-agencies as necessary for compliance with all equal employment opportunity rules, regulations, policies, and laws;

(c) The Department of Economic Development shall monitor all projects and sub-agencies as necessary for compliance with local, state, and federal MBE-WBE rules, regulations, policies, and laws;

(d) The Department of Human Services shall monitor, where applicable, fair housing compliance and shall administer the handling and resolution of complaints related thereto;

(e) The Department of Public Works shall monitor flood insurance and floodplain management compliance, shall conduct pre-construction conferences, and shall monitor Davis-Bacon compliance for all CDBG capital improvement projects;

(f) The Office of the City Auditor shall accomplish fiscal and program compliance audits of the sub-grantee agencies in the CDBG, HOME, HOPWA, and HESG programs in compliance with OMB A-133, and in coordination with the City's annual independent audit; and

(g) The City Attorney's Office shall provide legal services including, but not limited to, contract and loan development and review and the preparation of legal opinions to resolve questions of regulatory application associated with the development and administration of HUD programs administered by the City's Division of Grants Monitoring and Administration.

SECTION 25. The proposed personnel complement of forty-five (45) positions, which is attached hereto and incorporated herein for all purposes as **Attachment V**, is authorized for carrying out aspects of the approved 42nd Year CDBG Program, 25th Year HOME Program, the Fiscal Year 2016-2017 HOPWA Program, and the Fiscal Year 2016-2017 HESG Program.

SECTION 26. The Finance Department is hereby authorized and directed in its payments to other agencies to follow drawdown procedures established by both the City of San Antonio and HUD

whereby CDBG funds shall be drawn down prior to other funds in the case of multi-funded projects where not in conflict with other federal requirements. The Finance Department is further directed to ensure that prior to processing any and all fiscal requests related to Fund 28242000 CDBG accounts and Fund 25225000 HOME accounts, each such request has received prior compliance review and approval by the Director of the Department of Planning and Community Development, or the Grants Administrator of the Divisions of Grants Monitoring and Administration, or his designated representative, and that such review and approval is indicated by their signatures or initials affixed to the fiscal request.

SECTION 27. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, the Grants Administrator of the Division of Grants Monitoring and Administration, or the Director of the Department of Human Services, is hereby authorized to approve budget adjustments within project allocations to conform with actual expenditures if line item cost overruns occur or are anticipated.

SECTION 28. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, the Grants Administrator of the Division of Grants Monitoring and Administration, or the Director of the Department of Human Services, is hereby authorized to complete all documents required by HUD to officially close projects and program financial records following completion of the contracted scope-of-work.

SECTION 29. An allocation in an amount not to exceed $1,540,000.00 in CDBG funds reprogramming funds is hereby approved in accordance with the proposed budget schedule affixed hereto and incorporated by reference herein for all purposes as **Attachment I**.

SECTION 30. An allocation in an amount not to exceed $2,700,000.00 in HOME funds program income is hereby approved in accordance with the proposed budget schedule affixed hereto and incorporated by reference herein for all purposes as **Attachment I**.

SECTION 31. The appropriations, reallocations, expenditures, encumbrances, and budget revisions necessitated and scheduled pursuant to aforesaid **Attachment I**, are hereby authorized for entry into the City's accounting system.

SECTION 32. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, or the Grants Administrator of the Division of Grants Monitoring and Administration, is hereby authorized to close-out and cancel affected projects and create new projects and project budgets.

SECTION 33. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 34. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED and APPROVED this 4th day of August, 2016.

M A Y O R
Ivy R. Taylor

ATTEST:

Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:

Martha G. Sepeda, Acting City Attorney

Agenda Item:	**27 (in consent vote: 5, 6, 7, 8, 9, 11, 12, 14, 15, 16, 17, 18, 19, 22, 24, 25, 26, 27, 29)**
Date:	08/04/2016
Time:	09:50:46 AM
Vote Type:	Motion to Approve
Description:	An Ordinance adopting the FY 2017 Action Plan and Budget for the four federal grant programs funded by the U.S. Department of Housing and Urban Development (HUD) which include the Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), HEARTH Emergency Solutions Grant (HESG), and Housing Opportunities for Persons with AIDS (HOPWA) Program; authorizing a staff complement of 45 positions; and authorizing a Substantial Amendment to the FY 2013 - FY 2015 Annual Action Plans and Budgets to allow for city-wide application of the Owner Occupied Rehabilitation and Homebuyer Incentive Programs. [Peter Zanoni, Deputy City Manager; Bridgett White, Interim Director, Planning and Community Development]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Treviño	District 1		x				
Alan Warrick	District 2		x				x
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x			x	
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				

ATTACHMENT I

FY 2017 Proposed Budget

Community Development Block Grant (CDBG)

	FY 2016 Budget		FY 2017 Proposed		Variance
Revenue					
CDBG Entitlement	$ 11,632,129	98%	$ 11,457,418	86%	$ (174,711)
Reprogramming Funds	-		1,540,000	12%	1,540,000
Estimated Program Income	220,000	2%	250,000	2%	30,000
Total Sources	**$ 11,852,129**	**100%**	**$ 13,247,418**	**100%**	***$ 1,395,289***
Uses					
Administration and Planning					
Legal Administration	139,789		139,789		-
Grant Administration	2,057,255		2,201,695		144,440
Total Administration and Planning	**2,197,044**	**19%**	**2,341,484**	**18%**	***$ 144,440***
Priority #1: Decent Safe Affordable Housing					
Housing Delivery	504,000		547,800		43,800
Fair Housing Activities	192,784		192,784		-
Green and Healthy Homes Grant Match	-		510,000		510,000
Minor Repair Activities	250,000		300,000		50,000
Total Housing Activities	**946,784**	**8%**	**1,550,584**	**12%**	***$ 603,800***
Priority #2: Neighborhood Revitalization					
Façade Improvement Program	269,829		269,829		-
Code Enforcement Activities	187,749		187,749		-
Brownfield Remediation Activities	100,000		-		-
Eastpoint Neighborhood Infrastructure Improvements	1,700,000		1,700,000		-
Red Berry Infrastructure Improvements	-		1,480,931		1,480,931
REnewSA Catalytic Reinvestment	1,200,000		450,000		(750,000)
Total Targeted Neighborhood Revitalization	**3,457,578**	**29%**	**4,088,509**	**31%**	***$ 630,931***
Priority #4: Provide for Special Needs Populations					
COSA Parks and Recreation - Summer Youth Program	208,282		208,282		-
COSA Parks and Recreation - Community Ext. Hours	64,140		64,140		-
Total Other Non-Housing Community Development	**272,422**	**2%**	**272,422**	**2%**	***$ -***
Priority #5: Economic Development					
Financial Education Program	200,000		200,000		-
Total Economic Development	**200,000**	**2%**	**200,000**	**2%**	***$ -***
Debt Service					
HUD 108 Repayment	4,778,301		4,794,419		16,118
Total Section 108 Loan Repayment	**4,778,301**	**40%**	**4,794,419**	**36%**	***$ 16,118***
Total Uses	**$ 11,852,129**	**100%**	**$ 13,247,418**	**100%**	***$ 1,395,289***

ATTACHMENT I

FY 2017 Proposed Budget

Home Investment Partnerships Program (HOME)					
	FY 2016 Budget		FY 2017 Proposed		Variance
Revenue					
HOME Entitlement	$ 3,604,916	82%	$ 3,844,357	51%	$ 239,441
Reprogramming Funds	-	0%	2,700,000	36%	2,700,000
Estimated Program Income	780,000	18%	1,000,000	13%	220,000
Total Revenue	**$ 4,384,916**	**100%**	**$ 7,544,357**	**100%**	**$ 3,159,441**
Uses					
Administration					
Legal Administration	52,614	1%	55,050	1%	2,436
Grant Administration	385,877	9%	697,336	9%	311,459
Total Administration	**438,491**	**10%**	**752,386**	**10%**	**313,895**
Priority #1: Decent Safe Affordable Housing					
Single Family Rehabilitation and Reconstruction	1,446,425	33%	1,500,000	20%	53,575
Multi-family Rental Housing Set Aside	1,100,000	25%	1,250,000	17%	150,000
Eastside Choice Neighborhood Multi-Family Rental Development	-		2,500,000	33%	2,500,000
CHDO Single Family New Construction	1,000,000	23%	1,220,000	16%	220,000
CHDO Operating Expenses Set Aside	100,000	2%	20,495	0%	(79,505)
Homebuyer Incentive Program	300,000	7%	301,476	4%	1,476
Total Activities	**3,946,425**	**90%**	**6,791,971**	**90%**	**2,845,546**
Total Uses	**$ 4,384,916**	**100%**	**$ 7,544,357**	**100%**	**$ 3,159,441**

ATTACHMENT I

FY 2017 Proposed Budget

HEARTH Emergency Solutions Grant (HESG)							
		FY 2016 Budget			FY 2017 Proposed		Variance
Revenue							
ESG Entitlement	$	1,025,839		$	1,047,124		$ 21,285
Total Revenue	**$**	**1,025,839**		**$**	**1,047,124**		**$ 21,285**
Uses							
Administration							
Human Services Administration		47,810	5%		52,356	5%	4,546
Total Administration and Planning		**47,810**	**5%**		**52,356**	**5%**	**4,546**
Priority #3: Address Housing Services for Homeless Population							
Emergency Shelter		208,422	20%		212,747	20%	4,325
Homeless Prevention		221,578	22%		222,621	21%	1,043
Outreach		69,493	7%		70,935	7%	1,442
Rapid Re-Housing		478,536	47%		488,465	47%	9,929
Total Program Allocation		**978,029**	**95%**		**994,768**	**95%**	**16,739**
Total Uses	**$**	**1,025,839**	**100%**	**$**	**1,047,124**	**100%**	**$ 21,285**

ATTACHMENT I

FY 2017 Proposed Budget

Housing Opportunities for Persons with AIDS (HOPWA)							
		FY 2016 Budget			FY 2017 Proposed		Variance
Revenue							
HOPWA Entitlement	$	1,216,888		$	1,244,429		$ 27,541
Total Revenue	**$**	**1,216,888**		**$**	**1,244,429**		**$ 27,541**
Uses							
Administration							
Grant Administration		36,507	3%		37,333	3%	826
Total Administration and Planning		**36,507**	**3%**		**37,333**	**3%**	**826**
Priority #4: Provide for Special Needs Populations							
Tenant Based Rental Assistance		320,381	26%		327,632	26%	7,251
Nursing Operations		292,000	24%		298,609	24%	6,609
Transportation		174,000	14%		177,938	14%	3,938
Transitional Housing		131,000	11%		133,965	11%	2,965
Housing Assistance		120,000	10%		122,716	10%	2,716
Food and Nutrition		95,000	8%		97,150	8%	2,150
Case Management		48,000	4%		49,086	4%	1,086
Total Neighborhood Revitalization		**1,180,381**	**97%**		**1,207,096**	**97%**	**26,715**
Total Uses	**$**	**1,216,888**	**100%**	**$**	**1,244,429**	**100%**	**$ 27,541**

ATTACHMENT II

CITY OF SAN ANTONIO
DIVISION OF GRANTS MONITORING AND ADMINISTRATION
Interdepartmental Correspondence

TO: XXXXXXXXXX

FROM: Thomas W. Morgan, Grants Administrator, Division of Grants Monitoring & Administration

THROUGH: Bridgett White, Interim Director, Department of Planning & Community Development

COPIES TO: XXXXXXXXXX

SUBJECT: **Final Notice to Proceed**: XXXXXXXXXXXX

DATE: XX-XX-XXXX

On XX-XX-XXXX, through Ordinance XXX-XX-XX-XXXX, City Council awarded FY 2016-2017 Community Development Block Grant (CDBG) funds in the amount of $ XXXXX through Internal Order Number 13100000XXXX for the XXXXXXX Project.

The Division of Grants Monitoring and Administration (GMA) hereby authorize Public Works to utilize CDBG funds and begin construction activity. The project has an approved environmental review and is up to date on all requested information submitted to the Division of Grants Monitoring and Administration.

GMA has approved the Environmental Review under 24 CFR Part 58 and is in receipt of the project spending plan. In addition, GMA staff has documented the eligibility requirements in the Eligibility and Compliance Plan previously issued. Public Works is responsible for reviewing the Eligibility and Compliance Plan detailing the compliance requirements anticipated for the project.

Any changes in project scope or timeline must be approved by GMA in writing. Public Works Department shall ensure all FY 2016-2017 CDBG funds meet applicable expenditure requirements. GMA will require completion of grant related activity by **XX-XX-XXXX** and fiscal closeout in SAP within 45 days of the completion date of the activity.

Public Works is also responsible for submitting the following to GMA by the 15th of the following month even if no activity has taken place:

1. Monthly performance report to document project oversight;
2. Monthly expenditure report to request a drawdown of funds from U.S. Dept. of HUD; and
3. Contractor activity report detailing minority/women/section 3 owned business efforts.

Compliance and reporting information may be submitted to XXXXXX, GMA Management Analyst, assigned to this activity. XXXXXX may be contacted at 207-XXXX.

If the activity is not completed or does not meet a CDBG National Objective, Public Works may not charge the grant for incurred costs.

ATTACHMENT II

Upon successful completion of the grant activity, Public Works will submit a memo to GMA verifying completion of the activity and final performance report.

SAMPLE

ATTACHMENT III

CONTRACT

PROJECT NAME:

PROJECT NO.:

CFDA 14.253

STATE OF TEXAS §
§
COUNTY OF BEXAR §

This CONTRACT is hereby made and entered into by and between the CITY OF SAN ANTONIO, a Texas municipal corporation ("***CITY***"), acting by and through its Grants Administrator of the Division of Grants Monitoring and Administration (the "***Department***"), pursuant to Ordinance No. dated , and ("***SUB-GRANTEE***"), a Texas nonprofit organization, acting by and through its , hereto duly authorized.

WHEREAS, CITY has received certain funds from the U.S. Department of Housing and Urban Development ("***HUD***") under Title I of the Housing and Community Development Act of 1974, as amended (the "***Community Development Act***") for utilization in connection with its Community Development Block Grant Program ("***CDBG Program***"); and

WHEREAS, the City Council has adopted a budget for such funds and has included therein, pursuant to Ordinance No. , passed and approved on , the expenditure of funds for the project entitled " " (the "***Project***"); and

WHEREAS, the City Council has designated the Department as the CITY's department responsible for the administration and monitoring of the Project and all matters pertaining thereto; and

WHEREAS, CITY wishes to engage SUB-GRANTEE to implement and manage said Project;

NOW THEREFORE, the parties hereto severally and collectively agree, and by the execution hereof are bound to the mutual obligations herein contained, and to the performance and accomplishment of the tasks hereinafter described.

I. TERM

1.1 Except as otherwise provided for pursuant to the provisions hereof, this CONTRACT shall commence immediately upon its execution and shall terminate on the earlier of (a) , or (b) Project completion.

II. RESPONSIBILITIES

2.1 SUB-GRANTEE hereby accepts responsibility for the performance, in a satisfactory and efficient manner as solely determined by CITY, of all services and activities set forth in this CONTRACT.

2.2 Unless written notification by SUB-GRANTEE to the contrary is received and approved by CITY, SUB-GRANTEE's shall be SUB-GRANTEE's designated representative responsible for the management of all contractual matters pertaining to this CONTRACT.

2.3 CITY's Grants Administrator of the Division of Grants Monitoring and Administration or his designee shall be CITY's representative responsible for the administration of this CONTRACT.

2.4 Communications between CITY and SUB-GRANTEE shall be directed to the designated representatives of each as set forth in Sections 2.2 and 2.3 hereinabove.

III. COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS

3.1 SUB-GRANTEE understands that funds provided to it pursuant to this CONTRACT are funds which have been made available to CITY by the federal government under the Community Development Act and in accordance with CITY's HUD-approved Grant Application and with other specific assurances made and executed by CITY. SUB-GRANTEE, therefore, assures and certifies that it will comply with the requirements of the Community Development Act and with all regulations promulgated thereunder as codified as Title 24 of the Code of Federal Regulations, as well as with all applicable regulations of the Americans with Disabilities Act (the "***Act***"). SUB-GRANTEE understands, however, that the Community Development Act or the ADA in no way is meant to constitute a complete compilation of all duties imposed upon SUB-GRANTEE by law or administrative ruling, or to narrow the standards which SUB-GRANTEE must follow. Accordingly, SUB-GRANTEE understands that if the regulations and issuances promulgated pursuant to the Community Development Act or the ADA are amended or revised, it shall comply with them or otherwise immediately notify CITY pursuant to the notice provisions of Article XLV of this CONTRACT.

3.2 SUB-GRANTEE understands that certain compliance requirements mandated by applicable laws or regulations are summarized as follows:

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3.3 SUB-GRANTEE must at all times remain in compliance with the requirements set out in Section 3.2 hereinabove. SUB-GRANTEE further understands that said requirements in Section 3.2 are summaries and are intended only as such and in no way are meant to constitute a complete compilation of all duties imposed upon SUB-GRANTEE by law or administrative ruling, or to narrow the standards which SUB-GRANTEE must follow.

3.4 SUB-GRANTEE assures that all contractors and subcontractors receiving funds in connection with the Project are familiar with, and shall comply with, any and all applicable rules and regulations as contained in Section 3.2 and that SUB-GRANTEE shall include Section 3.2 as part of every contract awarded in connection with the Project.

3.5 SUB-GRANTEE shall observe and comply with all CITY, state, and federal laws, regulations, ordinances, and codes affecting SUB-GRANTEE's operations pursuant to this CONTRACT.

3.6 SUB-GRANTEE understands and acknowledges that the provisions of Chapter 2258 of the Texas Government Code, and CITY Ordinance 2008-11-20-1045, which are both attached hereto as Exhibit "D", are expressly made a part of this CONTRACT.

3.7 SUB-GRANTEE understands and acknowledges that CITY may request periodic reports or support to ensure adherence to prevailing wage rates provisions.

3.8 If, as a result of CITY's review, the CITY finds any violations, SUB-GRANTEE shall forfeit as a penalty to the CITY Sixty and No/100 Dollars ($60.00) for each laborer, workman, or mechanic employed, for each calendar day, or portion thereof, that such laborer, workman, or mechanic is paid less than the said stipulated rates for any work done under said CONTRACT, by the contractor or any sub-contractor.

3.9 SUB-GRANTEE understands and agrees that the establishment of prevailing wage rates pursuant to Chapter 2258 of the Texas Government Code and CITY Ordinance 2008-11-20-1045 shall not be construed to relieve SUB-GRANTEE, SUB-GRANTEE's contractor or any subcontractor from his/her/its obligation under any federal or state law regarding the wages to be paid to or hours worked by laborers, workmen, or mechanics insofar as applicable to the work to be performed hereunder.

3.10 SUB-GRANTEE, its contractor and any subcontractor, in the execution of the Project, agrees that he/she/it shall not discriminate in his/her/its employment practices against any person because of race, color, creed, sex, or origin. SUB-GRANTEE and his/her/its contractor and any sub-contractor agrees that he/she/it will not engage in employment practices which have the effect of discriminating against employees or prospective employees because of race, color, religion, national origin, sex, age, handicap, or political belief or affiliation.

3.11 SUB-GRANTEE ensures that this Article III, paragraphs 3.6 through 3.9 and the related wage decision shall be included in its entirety in any sub-contract agreement entered into

by SUB-GRANTEE, SUB-GRANTEE's contractor and/or subcontractor employed on the Project.

3.12 SUB-GRANTEE shall forward any questions regarding these prevailing wage provisions to LaborComplianceOffice-LCO@sanantonio.gov.

IV. LEGAL AUTHORITY

4.1 SUB-GRANTEE represents, warrants, assures, and guarantees that it has full legal authority to execute this CONTRACT and to bind itself to all terms, performances, and provisions herein contained.

4.2 The signer of this CONTRACT for SUB-GRANTEE represents, warrants, assures, and guarantees that he or she has full legal authority to execute this CONTRACT on behalf of SUB-GRANTEE and to bind SUB-GRANTEE to all terms, performances, and provisions herein contained.

4.3 In the event that a dispute arises as to SUB-GRANTEE's legal authority to enter into this CONTRACT, CITY shall have the right, at its option, to either temporarily suspend or permanently terminate this CONTRACT. Should CITY suspend or permanently terminate this CONTRACT pursuant to this Section 4.3, SUB-GRANTEE shall be liable to CITY for any money it has received from CITY for performance of any of the provisions hereof.

V. MAINTENANCE OF EFFORT

5.1 SUB-GRANTEE agrees that the funds and resources provided to it under the terms of this CONTRACT shall in no way be substituted for funds and resources provided from other sources, nor shall such funds and resources in any way serve to reduce the funds, resources, services, or other benefits which would have been available to, or provided through, SUB-GRANTEE had this CONTRACT not been executed.

VI. PERFORMANCE BY SUB-GRANTEE

6.1 SUB-GRANTEE, in accordance and compliance with the terms, provisions, and requirements of this CONTRACT, shall manage, perform, and provide all of the activities and services set forth in the Work Statement, attached hereto and incorporated herein for all purposes as Exhibit "A", to CITY's reasonable satisfaction, utilizing only those funds available for utilization as described in the "Project Budget", which is attached hereto as Exhibit "B" and incorporated herein for all purposes.

6.2 Modifications or alterations to Exhibit "A" may be made only pursuant to the prior written approval of the Department's Grants Administrator or his designee, with such approval not to be unreasonably withheld, conditioned, or delayed.

VII. REIMBURSEMENT BY CITY

7.1 In consideration of SUB-GRANTEE's performance, in a satisfactory and efficient manner as reasonably determined by CITY, of all services and activities set forth in this CONTRACT, CITY agrees to reimburse SUB-GRANTEE for all eligible expenses incurred hereunder. Such reimbursement, however, shall be in accordance with the Project Budget set forth in Exhibit "B" and shall be subject to any and all limitations and provisions set forth in this Article VII and in Article IX hereunder.

7.2 SUB-GRANTEE understands and agrees that CITY shall conduct a final inspection of the Project to ensure that SUB-GRANTEE has performed hereunder to CITY's satisfaction, prior to disbursement of any funds.

7.3 SUB-GRANTEE understands and acknowledges that reimbursement by CITY will be made after the Project's completion and subject to CITY's final inspection. Notwithstanding any other provision of this CONTRACT, the total of all payments and other obligations made or incurred by CITY hereunder shall not exceed the sum of and /100 Dollars ($). Said payments shall be made upon CITY's approval of the completed Project and SUB-GRANTEE's request for reimbursement, to be in a form determined by CITY, and accompanied by any and all receipts, invoices, cancelled checks, and other documentation submitted by SUB-GRANTEE within thirty (30) calendar days after the Project's completion.

7.4 It is expressly understood and agreed by CITY and SUB-GRANTEE that CITY's obligations under this Article VII are contingent upon the actual receipt of adequate CDBG Program funds from HUD specifically to meet CITY's liabilities hereunder. Should CITY not receive funds to make payments pursuant to this CONTRACT or should fund awards be reduced, CITY shall notify SUB-GRANTEE in writing within a reasonable time after such fact has been determined and may, at CITY's option, either terminate this CONTRACT or reduce the amount of its liability accordingly.

7.5 It is expressly understood by CITY and SUB-GRANTEE that this CONTRACT in no way obligates CITY's general fund monies or any other monies or credits of CITY.

7.6 CITY shall not be liable for any SUB-GRANTEE cost, or portion thereof, which:

(a) Has been paid, reimbursed, or is subject to payment or reimbursement from another source;

(b) Was incurred prior to the commencement date or subsequent to the termination date of this CONTRACT as specified in Article I hereinabove;

(c) Is not in strict accordance with the terms of this CONTRACT, including all exhibits attached hereto;

(d) Has not been billed to CITY within thirty (30) calendar days following billing to SUB-GRANTEE, or termination of this CONTRACT, whichever is earlier; and/or

(e) Is not an allowable cost as defined by Article IX of this CONTRACT or by the Project Budget (Exhibit "B").

7.7 CITY shall not be liable for any SUB-GRANTEE cost, or portion thereof, which is or was incurred in connection with an activity of SUB-GRANTEE where:

(a) Prior written authorization from CITY is required for the activity and such authorization was not first procured; or

(b) CITY has requested that SUB-GRANTEE furnish data concerning an activity prior to proceeding further therewith and SUB-GRANTEE nonetheless proceeds without first submitting the data and receiving CITY approval thereof.

7.8 CITY shall not be obligated or liable under this CONTRACT to any party, other than SUB-GRANTEE, for payment of any monies or provision of any goods or services.

VIII. RECEIPT, DISBURSEMENT AND ACCOUNT OF FUNDS BY SUB-GRANTEE

8.1 SUB-GRANTEE understands and agrees that it shall maintain a separate numbered account for the receipt and disbursement of all funds received pursuant to this CONTRACT and of any program income resulting therefrom, if applicable. SUB-GRANTEE further agrees that:

(a) Such account shall contain only those funds received pursuant to this CONTRACT and that no other funds shall be mingled therewith, except funds deemed to be program income as defined in Article X hereunder;

(b) All checks and withdrawals from such account shall have itemized documentation in support thereof;

(c) Such account shall be maintained, under conditions approved by CITY, in a financial institution having federal deposit insurance coverage, with any account balance exceeding the federal deposit insurance coverage likewise collaterally secured; and

(d) Upon SUB-GRANTEE's written request and solely within the discretion of CITY, an alternative accounting mechanism may be permitted, provided such alternative adheres at all times to generally accepted accounting principles.

8.2 Regarding method of payment, CITY and SUB-GRANTEE agree as follows:

(a) SUB-GRANTEE shall deliver a Billing Package, a copy of which is attached hereto and incorporated herein for all purposes as Exhibit "C", to CITY's Division of Grants Monitoring and Administration, in accordance with one of the following schedules as determined and agreed upon by both parties at the time of execution of this CONTRACT:

(1) Monthly billing, with the prior month's Billing Package received by CITY's Division of Grants Monitoring and Administration by no later than the fifth (5th) day of each month;

(2) Semi-monthly billing, with the prior month's Billing Packages received by CITY's Division of Grants Monitoring and Administration by no later than the fifth (5th) and twentieth (20th) day of each month, respectively; or

(3) Weekly billing, with the prior week's Billing Package received by CITY's Division of Grants Monitoring and Administration by no later than Wednesday of each week.

(b) SUB-GRANTEE shall submit to CITY such other reports as may be required by CITY to document CITY liabilities under this CONTRACT.

(c) Upon receipt of and approval by CITY of each of SUB-GRANTEE's Billing Packages, CITY shall pay to SUB-GRANTEE an amount equal to CITY's liabilities not previously billed to and subsequently paid by CITY, subject to deduction for any costs questioned or not allowable. Delinquent or unacceptable billing of CITY by SUB-GRANTEE, however, shall justify delay of payment by CITY.

(d) SUB-GRANTEE's financial management system shall provide for an adequate procedure to minimize the time elapsed between CITY's payment to SUB-GRANTEE and SUB-GRANTEE's disbursement of funds.

8.3 Within ten (10) working days of CITY's written request therefor, SUB-GRANTEE shall refund to CITY any sum of money paid by CITY to SUB-GRANTEE later determined to:

(a) Have resulted in overpayment to SUB-GRANTEE;

(b) Have not been spent by SUB-GRANTEE strictly in accordance with the terms of this CONTRACT; and/or

(c) Not be supported by adequate documentation to fully justify the expenditure.

8.4 Upon termination of this CONTRACT, should any expense or charge for which payment has been made be subsequently disallowed or disapproved as a result of any auditing or

monitoring by CITY, HUD, or any other federal agency, SUB-GRANTEE shall refund such amount to CITY within ten (10) business days of CITY's written request therefor wherein the amount disallowed or disapproved shall be specified. Refunds of disallowed or disapproved costs, however, shall not be made from funds received pursuant to this CONTRACT or from funds received from or through the federal government or CITY.

8.5 In the event that the actual amount expended by SUB-GRANTEE to meet the level of performance specified in Exhibit "A", or any amendment thereto, is less than that amount provided to SUB-GRANTEE pursuant to this CONTRACT, then CITY reserves the right to reappropriate or recapture any such underexpended funds.

8.6 Utilizing the format provided by CITY, a "Contract Close-Out Package," together with a final expenditure report, for the period commencing on the date of SUB-GRANTEE's last invoice requesting reimbursement of funds pursuant to this CONTRACT, shall be submitted by SUB-GRANTEE to CITY within fifteen (15) working days following the expiration of the term of this CONTRACT.

8.7 Upon termination of this CONTRACT, all unclaimed (30 days or older) salaries or wages must be returned to CITY in the following format:

(a) A cashier's check for the net aggregate amount payable to the "City of San Antonio"; and

(b) A listing showing each person's social security number, full name, last known completed address, and amount owing.

IX. ALLOWABLE COSTS

9.1 Costs shall be considered allowable only if approved in writing and incurred directly and specifically in the performance of and in compliance with this CONTRACT and with all legal requirements.

9.2 Approval of SUB-GRANTEE's budget as set forth in Exhibit "B", however, shall not constitute prior written approval of the items included therein. For example, CITY's prior written authorization shall be required in order for the following to be considered allowable costs:

(a) Encumbrance or expenditure during any one month period falling within the term of this CONTRACT which exceeds one-twelfth (1/12) of any budgeted line items for personnel costs as specified in Exhibit "B";

(b) CITY shall not be obligated to any third party sub-contracts of SUB-GRANTEE, nor shall CITY funds be used to pay for contract services extending beyond the expiration of this CONTRACT;

(c) Out of town travel;

(d) Costs or fees associated with the alteration or relocation of the facilities on and in which the activities specified in Attachment "I" are conducted;

(e) Costs or fees associated with alterations, deletions or additions to the Personnel Schedule incorporated within Exhibit "B";

(f) Costs or fees for temporary employees or services;

(g) Costs or fees for consultant and/or professional services; and

(h) Costs or fees associated with attendance at meetings, seminars, or conferences.

9.3 Written requests for prior approval shall be SUB-GRANTEE's responsibility and shall be made within sufficient time to permit a thorough review by CITY. Written approval by CITY must be obtained prior to the commencement of procedures to solicit or purchase services, equipment, or real or personal property. Procurements and/or purchases which must be approved pursuant to the terms of this CONTRACT shall be conducted entirely in accordance with all applicable terms, provisions, and requirements hereof.

X. PROGRAM INCOME

10.1 For purposes of this CONTRACT, "***program income***" shall mean earnings of SUB-GRANTEE realized from activities resulting from this CONTRACT or from SUB-GRANTEE's management of funding provided or received hereunder. Such earnings shall include, but shall not be limited to, interest income, usage or rental/lease fees, income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of SUB-GRANTEE, provided as a result of this CONTRACT, and payments from clients or third parties for services rendered by SUB-GRANTEE pursuant to this CONTRACT.

10.2 On a monthly basis, SUB-GRANTEE shall report and return to CITY all program income received or accrued during the preceding month. Alternative arrangements to this requirement may be made only upon written request to and written approval by CITY.

10.3 Records of the receipt and disposition of program income shall be maintained by SUB-GRANTEE in the same manner as required from other CONTRACT funds and shall be submitted to CITY in the format prescribed by CITY.

10.4 SUB-GRANTEE shall include this Article X, in its entirety, in all of SUB-GRANTEE's subcontracts involving income-producing services or activities.

10.5 It shall be SUB-GRANTEE's responsibility to obtain from CITY a prior determination as to whether or not income arising directly or indirectly from this CONTRACT, or from the performance thereof, constitutes program income, and unless otherwise approved in

writing by CITY, SUB-GRANTEE shall be responsible to CITY for the repayment of any and all amounts determined by CITY to be program income.

XI. OWNERSHIP OF PROPERTY

11.1 All equipment and/or non-recurring items necessary in connection with this Project shall be purchased or leased by CITY's Purchasing Department through CITY's Grants Monitoring and Administration Department. Furthermore, during the last four (4) months of this CONTRACT, purchases or leasing of expendable items, such as, but not limited to, office supplies, shall be made only upon the procurement of CITY's written consent where the cumulative cost for such items over said four-month period totals or exceeds the sum of $200.00.

11.2 Ownership title to all capital acquisitions, supplies, materials or other property purchased with funds received pursuant to this CONTRACT and in accordance with the provisions hereof shall be vested in CITY, and possession thereof, upon termination of this CONTRACT, shall revert to CITY unless otherwise provided for by CITY in writing.

11.3 Upon delivery to SUB-GRANTEE of non-expendable property, written notification thereof shall be provided by SUB-GRANTEE to CITY within five (5) calendar days of the property's delivery so as to enable CITY to effect property identification and recording for inventory purposes. Regarding the property, SUB-GRANTEE shall at all times maintain adequate records thereon and control thereof; SUB-GRANTEE shall further perform annual physical inventories of the property in accordance with Attachment "VI" attached hereto and incorporated herein for all purposes.

11.4 SUB-GRANTEE shall be fully and solely responsible for safeguarding and maintaining all property referred to in this Article. Furthermore, SUB-GRANTEE shall be fully and solely responsible for reporting any and all lost, stolen, missing, damaged or destroyed property referred to in this Article. Inasmuch as funds provided to SUB-GRANTEE pursuant to this CONTRACT are funds which have been made available to CITY by the federal government, all such lost, stolen, missing, damaged or destroyed property shall be reported by SUB-GRANTEE to the local Police Department. SUB-GRANTEE shall make such reports immediately and shall deliver a copy of the official written police report to CITY's Division of Grants Monitoring and Administration office immediately. Prior to such delivery, SUB-GRANTEE shall ascertain that said report includes, at a minimum, the following:

(a) An accurate and reasonably complete description of such property; and

(b) An accurate and reasonably complete description of the circumstances surrounding the loss, theft, damage or destruction of such property.

In the event a copy of the official written police report has not been made available to SUB-GRANTEE, a summary of said report shall be provided and delivered by SUB-GRANTEE to CITY's Grants Monitoring and Administration, including therein the date the report was made

to the local Police Department and the name and badge number of the police officer who wrote such police report.

XII. FURTHER REPRESENTATIONS, WARRANTIES AND COVENANTS

12.1 SUB-GRANTEE further represents and warrants that:

(a) All information, data, or reports heretofore or hereafter provided to CITY is, shall be and shall remain complete and accurate in all material respects as of the date shown on the information, data, or report, and that since said date shown, shall not have undergone any significant change without prior, written notice to CITY;

(b) Any supporting financial statements heretofore or hereafter provided to CITY are, shall be and shall remain complete, accurate and reflective of the financial condition of SUB-GRANTEE on the date shown on said statements and during the period covered thereby, and that since said date shown, except as provided by written notice to CITY, there has been no material change, adverse or otherwise, in the financial condition of SUB-GRANTEE;

(c) No litigation or proceedings are presently pending in Bexar County, Texas or threatened against SUB-GRANTEE, to the best of SUB-GRANTEE's knowledge after diligent inquiry;

(d) To SUB-GRANTEE's knowledge, none of the provisions contained herein contravene or in any way conflict with the authority under which SUB-GRANTEE is doing business or with the provisions of any existing indenture or agreement of SUB-GRANTEE;

(e) SUB-GRANTEE has the legal authority to enter into this CONTRACT and accept payments hereunder, and has taken all necessary measures to authorize such execution of CONTRACT and acceptance of payments pursuant to the terms and conditions hereof; and

(f) None of the assets of SUB-GRANTEE are both currently and for the duration of this CONTRACT subject to any lien or encumbrance of any character, except for current taxes not delinquent, and except as shown in the financial statements provided by SUB-GRANTEE to CITY.

12.2 During the period of time that payment may be made hereunder and so long as any payments remain unliquidated, SUB-GRANTEE covenants that it shall not, without the prior written consent of the Department's Grants Administrator or his designee:

(a) Mortgage, pledge, or otherwise encumber or cause to be encumbered any of the assets of SUB-GRANTEE now owned or hereafter acquired by it;

(b) Permit any pre-existing mortgages, liens, or other encumbrances to remain on or attached to any of the assets of SUB-GRANTEE which are allocated to the performance of this CONTRACT and with respect to which CITY has ownership hereunder;

(c) Sell, assign, pledge, transfer, or otherwise dispose of accounts receivable, notes or claims for money due or to become due;

(d) Sell, convey, or lease, or sub-lease all or any substantial part of SUB-GRANTEE's assets; or

(e) Make any advance or loan to, or incur any liability as guarantor, surety or accommodation endorser for any other firm, person, entity, or corporation.

12.3 Each of the foregoing representations, warranties, and covenants shall be continuing and deemed repeated each time SUB-GRANTEE submits a new request for payment in accordance with the terms, provisions and requirements of this CONTRACT.

XIII. MAINTENANCE OF RECORDS

13.1 SUB-GRANTEE agrees to maintain records that will provide accurate, current, separate, and complete disclosure of the status of any funds received pursuant to this CONTRACT. SUB-GRANTEE further agrees:

(a) That maintenance of said records shall be in compliance with all terms, provisions, and requirements of this CONTRACT and with all applicable federal and state regulations establishing standards for financial management; and

(b) That SUB-GRANTEE's record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure.

13.2 SUB-GRANTEE agrees to retain, for the period of time and under the conditions specified by CITY, all books, records, documents, reports, and written accounting policies and procedures pertaining to the expenditures of funds under this CONTRACT.

13.3 SUB-GRANTEE agrees to include the substance of this Article XIII in all of its sub-contracts.

13.4 Nothing in this Article XIII shall be construed to relieve SUB-GRANTEE of:

(a) Responsibility for retaining accurate and current records which clearly reflect the level and benefit of services provided under this CONTRACT; and

(b) Fiscal accountability and liability pursuant to this CONTRACT and any applicable rules, regulations and laws.

XIV. ACCESSIBILITY OF RECORDS

14.1 At any reasonable time during business hours and as often as CITY may deem necessary, SUB-GRANTEE shall make all of its records relative to the Project and/or this

CONTRACT available to CITY, HUD, or any of their authorized representatives, and shall permit CITY, HUD, or any of their authorized representatives to audit, examine, and make excerpts and/or copies of same. SUB-GRANTEE's records shall include, but shall not be limited to, payroll, personnel and employment records, contracts, and invoices.

XV. PERFORMANCE RECORDS AND REPORTS

15.1 As often and in such form as CITY may require, SUB-GRANTEE shall furnish CITY such performance records and reports as deemed by CITY as pertinent to matters covered by this CONTRACT.

15.2 At minimum, monthly performance records and reports shall be submitted to CITY by SUB-GRANTEE no later than the tenth day of the following month. Records and reports shall be in accordance with the formats set forth in Attachment "V" attached hereto and incorporated herein for all purposes.

15.3 As of the commencement date of this CONTRACT, SUB-GRANTEE agrees to gather information and data relative to all programmatic and financial reporting.

XVI. MONITORING AND EVALUATION

16.1 CITY shall perform periodic on-site inspections of SUB-GRANTEE's performance pursuant to the terms of this CONTRACT.

16.2 SUB-GRANTEE agrees that CITY may carry out inspections and evaluation activities so as to ensure compliance by SUB-GRANTEE with this CONTRACT, with the Community Development Act, the Work Statement set forth in Exhibit "A", and with the program assurances and certifications executed by CITY, and with all other laws, regulations, and ordinances related to the performance hereof.

16.3 SUB-GRANTEE agrees to cooperate fully with CITY in the development, implementation, and maintenance of record-keeping systems and to provide CITY with any data determined by CITY to be necessary for its effective fulfillment of its inspection and evaluation responsibilities.

16.4 SUB-GRANTEE agrees that it will cooperate with CITY in such a way so as not to obstruct or delay CITY in its inspections of SUB-GRANTEE's performance and that SUB-GRANTEE will designate one of its staff to coordinate the inspection process as requested by CITY staff.

16.5 After each official inspection, CITY shall provide SUB-GRANTEE with a written report of its findings.

16.6 Copies of any fiscal, management, or audit reports by any of SUB-GRANTEE's funding or regulatory bodies shall be submitted to CITY within five (5) working days of receipt thereof by SUB-GRANTEE.

XVII. INSURANCE

17.1 SUB-GRANTEE agrees to comply with the following insurance provisions:

(a) Prior to the commencement of any work under this CONTRACT, SUB-GRANTEE shall furnish copies of all required endorsements and completed Certificate(s) of Insurance to the Department, which shall be clearly labeled "*insert name of project/contract*" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. CITY will not accept a memorandum of insurance or binder as proof of insurance. The certificate(s) must be signed by the authorized representative of the carrier, and list the agent's signature and phone number. The certificate shall be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to CITY. CITY shall have no duty to pay or perform under this CONTRACT until such certificate and endorsements have been received and approved by the Department. No officer or employee, other than CITY's Risk Manager, shall have authority to waive this requirement.

(b) CITY reserves the right to review the insurance requirements of this Article XVII during the effective period of this CONTRACT and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by CITY's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this CONTRACT. In no instance will CITY allow modification whereby CITY may incur increased risk.

(c) A SUB-GRANTEE's financial integrity is of interest to CITY; therefore, subject to SUB-GRANTEE's right to maintain reasonable deductibles in such amounts as are approved by CITY, SUB-GRANTEE shall obtain and maintain in full force and effect for the duration of this CONTRACT, and any extension hereof, at SUB-GRANTEE's sole expense, insurance coverage written on an occurrence basis, unless otherwise indicated, by companies authorized to do business in the State of Texas and with an A.M Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed below:

TYPE	AMOUNTS
1. Workers' Compensation	Statutory
2. Employers' Liability	$1,000,000/$1,000,000/$1,000,000
3. Commercial General Liability Insurance to include coverage for the following: a. Premises/Operations	For Bodily Injury and Property Damage of $1,000,000 per occurrence; $2,000,000 General Aggregate, or its equivalent

b. Products/Completed Operations c. Personal/Advertising Injury *d. Environmental Impairment/ Impact – sufficiently broad to cover disposal liability. *e. Explosion, Collapse, Underground	in Umbrella or Excess Liability Coverage
4. Business Automobile Liability a. Owned/leased vehicles b. Non-owned vehicles c. Hired Vehicles	Combined Single Limit for Bodily Injury and Property Damage of $1,000,000 per occurrence
5. *Professional Liability (Claims-made basis) To be maintained and in effect for no less than two years subsequent to the completion of the professional service.	$1,000,000 per claim, to pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages by reason of any act, malpractice, error, or omission in professional services.
6. *Builder's Risk	All Risk Policy written on an occurrence basis for 100% replacement cost during construction phase of any new or existing structure.
7. *Property Insurance: For physical damage to the property of LESSEE, including improvements and betterment to the Leased Premises	Coverage for replacement value with a minimum co-insurance factor of eighty percent (80%) of the cost of Contractor's property
****Please consult w/ RM to amend the insurance table to suit the scope of your contract****	
*if applicable	

(d) SUB-GRANTEE agrees to require, by written contract, that all sub-contractors providing goods or services hereunder obtain the same categories of insurance coverage required of SUB-GRANTEE herein, and provide a certificate of insurance and endorsement that names the SUB-GRANTEE and the CITY as additional insureds. Policy limits of the coverages carried by sub-contractors will be determined as a business decision of SUB-GRANTEE. SUB-GRANTEE shall provide CITY with said certificate and endorsement prior to the commencement of any work by the sub-contractor. This provision may be modified by CITY's Risk Manager, without subsequent City Council approval, when deemed necessary and prudent,

based upon changes in statutory law, court decisions, or circumstances surrounding this CONTRACT. Such modification may be enacted by letter signed by CITY's Risk Manager, which shall become a part of the CONTRACT for all purposes.

(e) As they apply to the limits required by the CITY, CITY shall be entitled, upon request and without expense, to receive copies of the policies, declaration page, and all required endorsements. SUB-GRANTEE shall be required to comply with any such requests and shall submit requested documents to CITY at the address provided below within ten (10) calendar days. SUB-GRANTEE shall pay any costs incurred resulting from provision of said documents.

City of San Antonio
Attn: Division of Grants Monitoring and Administration
P.O. Box 839966
San Antonio, Texas 78283-3966

(f) SUB-GRANTEE agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:

(1) Name the CITY, its officers, officials, employees, volunteers, and elected representatives as additional insureds by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the CITY, with the exception of the workers' compensation and professional liability policies;

(2) Provide for an endorsement that the "other insurance" clause shall not apply to CITY where CITY is an additional insured shown on the policy;

(3) Workers' compensation, employers' liability, general liability and automobile liability policies will provide a waiver of subrogation in favor of CITY.

(4) Provide advance written notice directly to CITY of any suspension or non-renewal in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.

(g) Within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, SUB-GRANTEE shall provide a replacement Certificate of Insurance and applicable endorsements to CITY. CITY shall have the option to suspend SUB-GRANTEE's performance should there be a lapse in coverage at any time during this CONTRACT. Failure to provide and to maintain the required insurance shall constitute a material breach of this CONTRACT.

(h) In addition to any other remedies CITY may have upon SUB-GRANTEE's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, CITY shall have the right to order SUB-GRANTEE to stop work hereunder, and/or withhold any payment(s) which become due to SUB-GRANTEE hereunder until SUB-GRANTEE demonstrates compliance with the requirements hereof.

(i) Nothing herein contained shall be construed as limiting in any way the extent to which SUB-GRANTEE may be held responsible for payments of damages to persons or property resulting from SUB-GRANTEE's or its sub-contractors' performance of the work covered under this CONTRACT.

(j) It is agreed that SUB-GRANTEE's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by CITY for liability arising out of operations under this CONTRACT.

(k) It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this CONTRACT and that no claim or action by or on behalf of CITY shall be limited to insurance coverage provided.

(l) SUB-GRANTEE and any sub-contractors are responsible for all damage to their own equipment and/or property.

XIX. INDEMNIFICATION

18.1 SUB-GRANTEE covenants and agrees to FULLY INDEMNIFY, DEFEND, and HOLD HARMLESS, the CITY and the elected officials, employees, officers, directors, volunteers, and representatives of CITY, individually or collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon CITY, directly or indirectly arising out of, resulting from or related to SUB-GRANTEE's activities under this CONTRACT, including, but not limited to, any acts or omissions of SUB-GRANTEE, any agent, officer, director, representative, employee, contractor or subcontractor of SUB-GRANTEE, and each of their respective officers, agents, employees, directors, and representatives while in the exercise of the rights or performance of the duties under this CONTRACT. The indemnity provided for in this Section 18.1 shall not apply to any liability resulting from the negligence of CITY, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. IN THE EVENT SUB-GRANTEE AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

18.2 The provisions of the indemnity in Section 18.1 are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. SUB-GRANTEE shall advise the CITY in writing within twenty-four (24) hours of any claim or demand against the CITY or SUB-GRANTEE known to SUB-GRANTEE related to or arising out of SUB-GRANTEE's activities under this CONTRACT and shall see to the investigation and defense of such claim or demand at SUB-GRANTEE's cost. CITY shall

have the right, at its option and at its own expense, to participate in such defense without relieving SUB-GRANTEE of any of its obligations under Section 18.1 and this Section 18.2.

18.3 CITY shall have the right to select or to approve defense counsel to be retained by SUB-GRANTEE in fulfilling its obligation hereunder to defend and indemnify CITY, unless such right is expressly waived by CITY in writing. SUB-GRANTEE shall retain CITY approved defense counsel within seven (7) business days of CITY's written notice that CITY is invoking its right to indemnification under this CONTRACT. If SUB-GRANTEE fails to retain counsel within such time period, CITY shall have the right to retain defense counsel on its own behalf, and SUB-GRANTEE shall be liable for all costs incurred by CITY. CITY shall also have the right, at its option, to be represented by advisory counsel of its own selection and at its own expense, without waiving the foregoing.

18.4 In any and all claims against any party indemnified hereunder by any employee of SUB-GRANTEE, any sub-contractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation herein provided shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for SUB-GRANTEE or any sub-contractor under worker's compensation or other employee benefit acts.

XIX. EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION

19.1 In the event that SUB-GRANTEE receives funding hereunder in excess of $10,000.00, SUB-GRANTEE shall submit for CITY approval, within thirty (30) calendar days following execution of this CONTRACT, a written plan for compliance with federal equal employment opportunity and affirmative action rules, regulations and laws.

19.2 SUB-GRANTEE shall comply with all applicable local, state, and federal equal employment opportunity and affirmative action rules, regulations and laws in contracting with third parties to perform the Project.

19.3 So that CITY can investigate compliance with local, state, and federal equal employment opportunity and affirmative action rules, regulations, and laws, SUB-GRANTEE shall furnish to CITY any and all information and reports requested by CITY, and shall permit access by CITY of any and all of its books, records and accounts.

19.4 In the event of non-compliance by SUB-GRANTEE (or SUB-GRANTEE's sub-contractors) with local, state, and federal equal employment opportunity and affirmative action rules, regulations and laws, this CONTRACT may be canceled, terminated, or suspended by CITY, in whole or in part, and SUB-GRANTEE may be barred from further contracts with CITY.

XX. NONDISCRIMINATION

20.1 SUB-GRANTEE covenants that it, or its agents, employees or anyone under SUB-GRANTEE's control shall comply with the *Non-Discrimination Policy* of CITY contained in Chapter 2, Article X of CITY's Code and further, shall not discriminate on the basis of race, color, religion, national origin, sex, sexual orientation, gender identity, veteran status, age, disability, or familial status, in employment practices or in the use of or admission to the premises at, in or on which the Project described herein is to be performed, which said discrimination SUB-GRANTEE acknowledges is prohibited.

XXI. PERSONNEL POLICIES, PROCEDURES AND PRACTICES

21.1 Personnel policies, procedures and practices shall be established by SUB-GRANTEE and shall be available for examination. Such policies, procedures and practices, however, shall:

(a) Be in writing, approved by the governing body of SUB-GRANTEE and submitted to CITY;

(b) Be no more liberal than CITY's personnel policies, procedures, and practices including, but not limited to, those related to employment, salary and wage rates, working hours and holidays, fringe benefits, vacation and sick leave privileges, and travel; however a variance may be permitted upon SUB-GRANTEE's written request and CITY's approval and solely within the CITY's discretion which shall be decided on a case-by-case basis; and

(c) Indicate that upon termination, for whatever reason, CITY shall not be liable nor responsible to SUB-GRANTEE for reimbursement of accrued annual leave and/or personal leave exceeding a total of two weeks [ten (10) working days] per employee. To this effect, SUB-GRANTEE shall inform its employees of this restriction and shall encourage employees to utilize leave benefits during the fiscal year for which the benefits are provided pursuant to the terms, provisions and requirements of this CONTRACT.

21.2 SUB-GRANTEE represents and warrants that it has complied with, and will continue to comply with, throughout the course of this solicitation and contract award process, the CITY's Commercial Nondiscrimination Policy, as described under Section III. C. 1. of Ordinance No. 2010-06-17-0531, passed and approved on June 17, 2010 (hereinafter referred to as "CITY's SBEDA Ordinance"). As part of such compliance, SUB-GRANTEE shall not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or other unlawful forms of discrimination in the solicitation, selection, hiring or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall the company retaliate against any person for reporting instances of such discrimination. SUB-GRANTEE shall provide equal opportunity for subcontractors, vendors and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that nothing contained in this clause shall prohibit or limit otherwise lawful efforts to remedy the effects of marketplace discrimination that

have occurred or are occurring in the CITY's Relevant Marketplace. The CITY's Relevant Marketplace is defined in the CITY's SBEDA Ordinance as the geographic market area affecting the S/M/WBE Program as determined for purposes of collecting data for the MGT Studies (disparity and availability study done by MGT of Anerica). The San Antonio Metropolitan Statistical Area (SAMSA), currently including the counties of Atascosa, Bandera, Bexar, Comal, Guadalupe, Kendall, Medina and Wilson, determines eligibility for participation under various programs established by the CITY's SBEDA Ordinance. SUB-GRANTEE understands and agrees that a material violation of this clause shall be considered a material breach of this CONTRACT and may result in termination of this CONTRACT, disqualification of SUB-GRANTEE from participating in CITY contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party. SUB-GRANTEE's certification of its compliance with this Commercial Nondiscrimination Policy as submitted to the CITY, pursuant to the solicitation for this CONTRACT, is hereby attached and incorporated into the material terms of this CONTRACT. SUB-GRANTEE shall incorporate this clause into each of its subcontractor and supplier agreements entered into pursuant to this CONTRACT.

XXII. CONFLICT OF INTEREST

22.1 The Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as those terms are defined in the City's Ethics Code, from having a financial interest in any CONTRACT with City or any City agency such as City owned utilities. An officer or employee has a "prohibited financial interest" in a CONTRACT with the City or in the sale to City of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the CONTRACT or sale: a City officer or employee; his parent, child or spouse; a business entity in which the officer or employee, or his parent, child or spouse owns ten (10) percent or more of the voting stock or shares of the business entity, or ten (10) percent or more of the fair market value of the business entity; a business entity in which any individual or entity above listed is a subcontractor on a City contract, a partner or a parent or subsidiary business entity.

22.2 SUB-GRANTEE warrants and certifies, and this CONTRACT is made in reliance thereon, that SUB-GRANTEE, SUB-GRANTEE's officers, employees, and agents performing on this CONTRACT are neither a CITY officer nor an employee as defined by Section 2-52 (e) of CITY's Ethics Code. SUB-GRANTEE further warrants and certifies that it has tendered to CITY a Discretionary Contracts Disclosure Statement in compliance with CITY's Ethics Code.

XXIII. NEPOTISM

23.1 SUB-GRANTEE shall neither employ in any paid capacity nor contract with any person who is a member of the immediate family of any person who is currently employed by SUB-GRANTEE to perform any of the work or services covered by this CONTRACT. The term "member of immediate family" shall include: wife, husband, son, daughter, mother, father, brother, sister, in-law, aunt, uncle, cousin, nephew, niece, step-parent, step-child, half-brother and half-sister.

XXIV. POLITICAL ACTIVITY

24.1 None of the performance rendered hereunder shall involve, and no portion of the funds received hereunder shall be used, either directly or indirectly, for any political activity including, but not limited to, an activity to further the election or defeat of any candidate for public office or for any activity undertaken to influence the passage, defeat or final content of local, state or federal legislation.

XXV. SECTARIAN ACTIVITY

25.1 None of the performance rendered hereunder shall involve, and no portion of the funds received hereunder shall be used, directly or indirectly, for the construction, operations, maintenance or administration of any sectarian or religious facility or activity, nor shall said performance rendered or funds received be utilized so as to benefit, directly or indirectly, any such sectarian or religious facility or activity.

XXVI. DIRECTORS' MEETINGS

26.1 During the term of this CONTRACT, SUB-GRANTEE shall cause to be delivered to CITY copies of all notices of meetings of its Board of Directors. Said copies of notices shall set forth the time and place of each meeting, shall be delivered to CITY in a timely manner so as to give CITY adequate notice thereof and shall include therein an agenda and a brief description of the matters to be discussed thereat.

26.2 SUB-GRANTEE understands and agrees that CITY representatives shall be afforded access to all of SUB-GRANTEE's Board of Directors' meetings.

26.3 Minutes of all meetings of SUB-GRANTEE's governing body shall be submitted to CITY within ten (10) working days of approval.

XXVII. PUBLICITY

27.1 When appropriate, as determined by and upon written approval of CITY, SUB-GRANTEE shall publicize the activities conducted by SUB-GRANTEE pursuant to the terms of this CONTRACT. In any news release, sign, brochure, or other advertising medium disseminating information prepared or distributed by or for SUB-GRANTEE, however, mention shall be made that the Project was made possible with HUD funding and CITY participation.

XXVIII. PUBLICATIONS

28.1 All published materials and written reports submitted pursuant to this CONTRACT shall be originally developed unless otherwise specifically provided for herein. If material not originally developed is included in a report, however, said material shall have its source identified, either in the body of the report or by footnote, regardless of whether the material is in a verbatim or extensive paraphrase format.

28.2 All published materials submitted pursuant to this Project shall include the following reference on the front cover or title page:

> "This document was prepared in accordance with the City of San Antonio's Community Development Block Grant Program, with funding received from the United States Department of Housing and Urban Development."

XXIX. RIGHTS TO PROPOSAL AND CONTRACTUAL MATERIAL

29.1 All finished or unfinished reports, documents, data, studies, surveys, charts, drawings, maps, models, photographs, designs, plans, schedules, or other appended documentation to any proposal or contract, and any responses, inquiries, correspondence and related material submitted by SUB-GRANTEE, shall, upon receipt, become the property of CITY.

XXX. FUNDING APPLICATIONS

30.1 SUB-GRANTEE agrees to notify CITY each time SUB-GRANTEE is preparing or submitting any application for funding. When so preparing or submitting such an application, the following procedures shall be adhered to by SUB-GRANTEE:

(a) When the funding application is in the planning stages, a description of the funds being applied for and of the proposed use for the funds shall be submitted by SUB-GRANTEE to CITY;

(b) Upon award or notice of award, whichever is sooner, SUB-GRANTEE shall notify CITY of the award or notice thereof, and of the effect, if any, of such funding on the funds and programs agreed to hereunder. Such notice shall be submitted by SUB-GRANTEE to CITY, in writing, within ten (10) working days of receipt of the award or notice thereof, together with copies of the applicable budget, personnel complement, program description, and contract; and

(c) Except pursuant to prior written consent of CITY, SUB-GRANTEE shall not use, either directly or indirectly, resources provided hereunder to prepare applications for other federal or private funds, nor shall said resources be used, directly or indirectly, as contributions.

XXXI. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS

31.1 SUB-GRANTEE certifies, and CITY relies thereon in execution of this CONTRACT, that SUB-GRANTEE nor the principals of SUB-GRANTEE, if SUB-GRANTEE is an entity, are presently debarred, suspended, proposed for debarment, or declared ineligible, or voluntarily excluded for the award of contracts by any Federal governmental agency or department. For purposes of this certification, "***principals***" means officer, directors, owners, partners, and persons having primary management or supervisory responsibilities within a

business entity (e.g., general manager, plant manager, head of subsidiary, division, or business segment, and similar positions).

31.2 SUB-GRANTEE shall provide immediate written notice to CITY, in accordance with Article XLV, if, at any time during the term of this CONTRACT, including any renewals hereof, SUB-GRANTEE learns that its certification was erroneous when made or has become erroneous by reason of changed circumstances.

31.3 SUB-GRANTEE's certification is a material representation of fact upon which CITY has relied in entering into this CONTRACT. Should CITY determine, at any time during this CONTRACT, including any renewals hereof, that this certification is false, or should it become false due to changed circumstances, CITY may terminate this CONTRACT in accordance with termination provision of Article XXXV of this CONTRACT.

XXXII. SUB-CONTRACTING

32.1 Any other clause of this CONTRACT to the contrary notwithstanding, none of the work or services covered by this CONTRACT shall be sub-contracted without the prior written approval of CITY. Any work or services approved for sub-contracting hereunder, however, shall be sub-contracted only by written contract or agreement and, unless specific waiver is granted in writing by CITY, shall be subject by its terms to each and every provision of this CONTRACT. Compliance by sub-contractors with this CONTRACT shall be the responsibility of SUB-GRANTEE.

32.2 SUB-GRANTEE agrees that no sub-contract approved pursuant to this CONTRACT shall provide for payment on a "cost plus a percentage of cost" basis.

32.3 SUB-GRANTEE warrants and certifies that should the level of work outlined in the Work Statement, set forth in Exhibit "A", require special training, license, and/or certification to provide said service, SUB-GRANTEE or sub-contractor hired to perform such work has the required training, license and/or certification, and SUB-GRANTEE shall provide written proof to CITY prior to any such work being performed.

32.4 Despite CITY approval of a sub-contract, CITY shall in no event be obligated to any third party, including any sub-contractor of SUB-GRANTEE, for performance of work or services, nor shall CITY funds ever be used for payment of work or services performed prior to the date of CONTRACT execution or extending beyond the date of CONTRACT expiration.

XXXIII. CHANGES AND AMENDMENTS

33.1 Except when the terms of this CONTRACT expressly provide otherwise, any alterations, additions, or deletions to the terms hereof shall be by amendment in writing executed by both CITY and SUB-GRANTEE.

33.2 Whenever and as often as deemed necessary by CITY, CITY may request and require changes to SUB-GRANTEE's Work Statement (Exhibit "A") or Project Budget (Exhibit "B"). Such changes as requested or required by CITY, however, must be by written amendment hereto and may incorporate therein increases or decreases in the total monetary obligation of CITY to SUB-GRANTEE as provided for pursuant to the terms, provisions, and conditions of this CONTRACT.

33.3 Except pursuant to (a) prior submission by SUB-GRANTEE of detailed information regarding budget and Project revisions, and (b) prior written approval thereof by CITY, SUB-GRANTEE shall not make transfers between or among line items approved within the Project Budget set forth as Exhibit "B". Instead, SUB-GRANTEE shall request budget revisions in writing and in a form prescribed by CITY; such request for revisions, however, shall not increase the total monetary obligation of CITY as provided for pursuant to this CONTRACT, nor shall said revisions significantly change the nature, intent, or scope of the Project funded hereunder.

33.4 In the event that the level of funding for SUB-GRANTEE or for the Project described herein is altered, SUB-GRANTEE shall submit, immediately upon request by CITY, revised budget and Project information so as to enable re-evaluation by CITY of the original funding levels set forth in Exhibit "B."

33.5 It is understood and agreed by the parties hereto that changes in local, state, and federal rules, regulations, or laws applicable hereto may occur during the term of this CONTRACT and that any such changes shall be automatically incorporated into this CONTRACT without written amendment hereto, and shall become a part hereof as of the effective date of the rule, regulation or law.

33.6 SUB-GRANTEE agrees to notify CITY in writing of any proposed change in physical location for work to be performed pursuant to the terms of this CONTRACT. Such notice shall be provided by SUB-GRANTEE to CITY at least thirty (30) calendar days in advance of the proposed change.

33.7 SUB-GRANTEE further agrees to notify CITY of any changes in personnel or governing board composition, such notice to be provided within five (5) working days of the change.

XXXIV. SUSPENSION OF FUNDING

34.1 Upon determination by CITY of SUB-GRANTEE's failure to timely and properly perform pursuant to the provisions of this CONTRACT, CITY, without limiting or waiving any rights it may otherwise have, may, at its discretion and upon five (5) business days written notice to SUB-GRANTEE, withhold further payments to said SUB-GRANTEE. CITY's notice shall specifically set forth SUB-GRANTEE's alleged default or failure as well as the action required for cure thereof.

34.2 The period of funding suspension shall be of such duration as is appropriate to accomplish corrective action, but in no event shall it exceed thirty (30) calendar days. Upon expiration of the suspension period:

(a) Should CITY determine that the default or deficiency has been cured, SUB-GRANTEE may be restored to full compliance status and paid all eligible funds withheld during the suspension period; or

(b) Should CITY determine continued non-compliance, the provisions of Article XXXV hereunder may be effectuated.

XXXV. TERMINATION

35.1 For purposes of this CONTRACT, "*termination*" shall mean termination by expiration of the agreement term or earlier termination pursuant to any of the provisions hereof.

35.2 CITY may terminate this CONTRACT for any of the following reasons:

(a) Neglect or failure by SUB-GRANTEE to perform or observe any of the terms, conditions, covenants, or guarantees of this CONTRACT or of any written contract or amendment between CITY and SUB-GRANTEE;

(b) Termination or reduction of funding of the Project by HUD;

(c) Failure by SUB-GRANTEE to cure, within the period prescribed pursuant to the above Article XXXIV of this CONTRACT, any default or deficiency basis for suspension of funding hereunder;

(d) Finding by CITY that SUB-GRANTEE:

(1) is in such unsatisfactory financial condition as to endanger performance under this CONTRACT, including, but not limited to:

(A) The apparent inability of SUB-GRANTEE to meet its financial obligations;

(B) The appearance of items that reflect detrimentally on the creditworthiness of SUB-GRANTEE, including, but not limited to, liens, encumbrances, etc., on the assets of SUB-GRANTEE.

(2) has allocated inventory to this CONTRACT substantially exceeding reasonable requirements; or

(3) is delinquent, in the ordinary course of business, in the payment of taxes or in the payment of costs of performance of this CONTRACT;

(e) Appointment of a trustee, receiver, or liquidator for all or a substantial part of SUB-GRANTEE's property, or institution of bankruptcy, reorganization, rearrangement of or liquidation proceedings by or against SUB-GRANTEE;

(f) The entry by a court of competent jurisdiction of a final order providing for the modification or alteration of the rights of SUB-GRANTEE's creditors;

(g) Inability by SUB-GRANTEE to conform to changes in local, state and federal rules, regulations and laws as provided for in Article III and Section 33.5 of this CONTRACT; and

(h) Violation by SUB-GRANTEE of any rule, regulation or law to which SUB-GRANTEE is bound or shall be bound under the terms of this CONTRACT.

35.3 CITY may terminate this CONTRACT for convenience at any time after which SUB-GRANTEE shall be paid an amount not to exceed the total accrued expenditures as of the effective date of termination. In no event, however, will compensation to SUB-GRANTEE exceed an amount which bears the same ratio to the total compensation as the services actually performed by SUB-GRANTEE bears to the total services required of SUB-GRANTEE, less payments previously made.

35.4 SUB-GRANTEE may terminate this CONTRACT for any of the following reasons:

(a) Cessation of outside funding upon which SUB-GRANTEE depends for performance hereunder; SUB-GRANTEE may opt, however, within the limitations of this CONTRACT and with the written approval of CITY, to seek an alternative funding source, provided that the termination of funding by the initial outside source was not occasioned by a breach of agreement as defined herein or as defined in a contract between SUB-GRANTEE and the funding source in question; or

(b) If SUB-GRANTEE is an entity, upon the dissolution of the SUB-GRANTEE organization, provided such dissolution was not occasioned by a breach of this CONTRACT.

35.5 Upon a decision to terminate by either CITY or SUB-GRANTEE, written notice of such, and the effective date thereof, shall be immediately provided to the other party.

35.6 Upon receipt of notice to terminate, SUB-GRANTEE shall cancel, withdraw, or otherwise terminate any outstanding orders or sub-contracts which relate to the performance of this CONTRACT. To this effect, CITY shall not be liable to SUB-GRANTEE or SUB-GRANTEE's creditors for any expense, encumbrances, or obligations whatsoever incurred after the date of termination.

35.7 Upon receipt of notice to terminate, all finished or unfinished documents, data, studies, surveys, charts, drawings, maps, models, photographs, designs, plans, schedules, or other

appended documentation to any proposal or contract, prepared by or on behalf of SUB-GRANTEE under this CONTRACT shall, at the option of CITY, and in accordance with Article XXX hereof, become the property of CITY and shall, if requested or agreed to by CITY, be delivered by SUB-GRANTEE to CITY in a timely and expeditious manner.

35.8 Within thirty (30) calendar days after receipt of notice to terminate, SUB-GRANTEE shall submit a statement to CITY, indicating in detail the services performed under this CONTRACT prior to the effective date of termination.

35.9 Any termination of this CONTRACT as herein provided shall not relieve SUB-GRANTEE from the payment of any sum(s) that shall then be due and payable or become due and payable to CITY hereunder or as provided for at law or in equity, or any claim for damages then or theretofore accruing against SUB-GRANTEE hereunder or by law or in equity, and any such termination shall not prevent CITY from enforcing the payment of any such sum(s) or claim for damages from SUB-GRANTEE. Instead, all rights, options, and remedies of CITY contained in this CONTRACT shall be construed and held to be cumulative and no one of them shall be exclusive of the other, and CITY shall have the right to pursue any one or all of such remedies or any such other remedy or relief which may be provided by law or in equity whether or not stated in this CONTRACT.

35.10 Should this CONTRACT be terminated by either party hereto for any reason, including termination under Section 35.3 of this CONTRACT, if the work required hereunder of SUB-GRANTEE is not fully completed to the satisfaction of CITY in accordance with the terms of this CONTRACT, SUB-GRANTEE shall refund any and all sums of money paid by CITY to SUB-GRANTEE within ten (10) business days of CITY's written request therefor.

35.11 Upon termination of this CONTRACT by CITY under Section 35.2(a), SUB-GRANTEE shall be barred from future CONTRACTS with CITY absent the express written consent of the CITY Manager of CITY, or the CITY Manager's designee.

XXXVI. NOTIFICATION OF ACTION BROUGHT

36.1 In the event that any claim, demand, suit, proceeding, cause of action, or other action (collectively referred to as "***claim***") is made or brought against SUB-GRANTEE, SUB-GRANTEE shall give written notice thereof to CITY within two (2) business days after itself being notified. SUB-GRANTEE's notice to CITY shall state the date and hour of notification to SUB-GRANTEE of the claim, the names and addresses of those instituting or threatening to institute the claim, the basis of the claim, and the name(s) of any others against whom the claim is being made or threatened. Written notice pursuant to this Article XXXVI shall be delivered either personally or by mail in accordance with Article XLV of this CONTRACT.

XXXVII. ASSIGNMENTS

37.1 SUB-GRANTEE shall not transfer, pledge, or otherwise assign this CONTRACT, any interest in and to same, or any claim arising thereunder, without first procuring the written

approval of CITY. Any attempt at transfer, pledge, or other assignment shall be void *ab initio* and shall confer no rights upon any third person.

XXXVIII LEGAL EXPENSES

38.1 Under no circumstances will the funds received under this CONTRACT be used, either directly or indirectly, to pay costs or attorney fees incurred in any adversarial proceeding against the CITY or any other public entity.

38.2 During the term of this CONTRACT, if SUB-GRANTEE files and/or pursues an adversarial proceeding against the CITY then, at CITY's option, this CONTRACT and all access to the funding provided for hereunder may terminate if SUB-GRANTEE is in violation of Section 38.1 above.

38.3 SUB-GRANTEE, at the CITY's option, could be ineligible for consideration to receive any future funding while any adversarial proceeding against the CITY remains unresolved.

38.4 For purposes of this Article XXXVIII, "***adversarial proceeding***" includes any cause of action filed by the SUB-GRANTEE in a state or federal court, as well as any state or federal administrative hearing, but does not include Alternative Dispute Resolution proceedings.

XIX. SEVERABILITY OF PROVISIONS

39.1 If any clause or provision of this CONTRACT is held invalid, illegal or unenforceable under present or future federal, state or local laws, including but not limited to the City Charter, City Code, or ordinances of the CITY, then and in that event it is the intention of the parties hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this CONTRACT shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein; it is also the intention of the parties hereto that in lieu of each clause or provision of this CONTRACT that is invalid, illegal, or unenforceable, there be added as a part of the CONTRACT a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable.

XL. RENEWAL NOT AUTOMATIC

40.1 Funding under this CONTRACT and any amendments or waivers that may be made or granted hereunder shall not be automatically renewed on the anniversary date of this CONTRACT. To the contrary, funding of any project requiring contract execution shall be achieved only pursuant to approval of the City Council of the City of San Antonio.

XLI. NON-WAIVER OF PERFORMANCE

41.1 No waiver by CITY of a breach of any of the terms, conditions, covenants, or guarantees of this CONTRACT shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, condition, covenant or guarantee herein contained. Further, any failure of CITY to insist in any one or more cases upon the strict performance of any of the covenants of this CONTRACT, or to exercise any option herein contained, shall in no event be construed as a waiver or relinquishment for the future of such covenant or option. In fact, no waiver, change, modification, or discharge by either party hereto of any provision of this CONTRACT shall be deemed to have been made or shall be effective unless expressed in writing and signed by the party to be charged.

41.2 No act or omission of CITY shall in any manner impair or prejudice any right, power, privilege, or remedy available to CITY hereunder or by law or in equity, such rights, powers, privileges, or remedies to be always specifically preserved hereby.

41.3 No representative or agent of CITY may waive the effect of the provisions of this Article XLI.

XLII. SPECIAL CONDITIONS

42.1 .

XLIII. ENTIRE CONTRACT

43.1 This CONTRACT (including all exhibits hereto) and the Covenant constitutes the final and entire agreement between the parties hereto and contains all of the terms and conditions agreed upon. No other agreements, oral or otherwise, regarding the subject matter of this CONTRACT shall be deemed to exist or to bind the parties hereto unless same be in writing, dated subsequent to the date hereof, and duly executed by the parties.

XLIV. INTERPRETATION

44.1 In the event any disagreement or dispute should arise between the parties hereto pertaining to the interpretation or meaning of any part of this CONTRACT or its governing rules, regulations, laws, codes or ordinances, CITY, as the party ultimately responsible to HUD for matters of compliance, shall have the final authority to render or secure an interpretation.

XLV. NOTICES

45.1 For purposes of this CONTRACT, all official communications and notices among the parties shall be deemed sufficient if in writing and mailed, registered or certified mail, postage prepaid, to the addresses set forth below:

CITY:
City of San Antonio
Division of Grants Monitoring and Administration
1400 S. Flores Street
San Antonio, Texas 78204
Attn: Loan Servicing

SUB-GRANTEE:

Notice of changes of address by either party must be made in writing delivered to the other party's last known address within five (5) business days of such change.

XLVI. PARTIES BOUND

46.1 This CONTRACT shall be binding on and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns, except as otherwise expressly provided herein.

XLVII. GENDER

47.1 Words of gender used in this CONTRACT shall be held and construed to include the other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

XLVIII. RELATIONSHIP OF PARTIES

48.1 Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers or any other similar such relationship between the parties hereto.

XLIX. TEXAS LAW TO APPLY

49.1 This CONTRACT shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Bexar County, Texas. Venue and jurisdiction arising under or in connection with this Contract shall lie exclusively in Bexar County, Texas.

L. CAPTIONS

50.1 The captions contained in this CONTRACT are for convenience of reference only, and in no way limit or enlarge the terms and/or conditions of this CONTRACT.

IN WITNESS WHEREOF, CITY and SUB-GRANTEE have executed this AGREEMENT effective as of the date last written below.

CITY OF SAN ANTONIO,
a Texas municipal corporation

By: _____

Grants Administrator
Division of Grants Monitoring
and Administration

Date: _____

SUB-GRANTEE:

By: _____

Date: _____

APPROVED AS TO FORM:

By: _____

Assistant City Attorney

ATTACHMENTS:
Exhibit "A" – Work Statement
Exhibit "B" – Project Budget
Exhibit "C" – Invoice/Billing Package
Exhibit "D" – Chapter 2258 of the Texas Government Code and Ordinance 2008-11-20-1045

ATTACHMENT IV

STATE OF TEXAS * **DELEGATE AGENCY CONTRACT WITH**

* **PROJECT NUMBER:**

COUNTY OF BEXAR **CFDA: 14.218**

CITY OF SAN ANTONIO *

This CONTRACT is entered into by and between the City of San Antonio (hereinafter referred to as "CITY"), a Texas municipal corporation, acting by and through its of the Division of Grants Monitoring and Administration pursuant to Ordinance No. , dated , and (hereinafter referred to as "CONTRACTOR").

WITNESSETH:

WHEREAS, the CITY has received certain funds from the U.S. Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974, as amended (hereinafter referred to as "the Community Development Act") for utilization in connection with its Community Development Block Grant Fund Operating Budget (hereinafter referred to as the "Grant Fund") for human development services; and

WHEREAS, the Division of Grants Monitoring and Administration is designated as the managing CITY department (hereinafter referred to as "Managing City Department") for the CITY; and

WHEREAS, the CITY has adopted a budget for the expenditure of such funds, and included therein is an allocation of and /100 Dollars ($) in funds for a project entitled, " " (hereinafter referred to as "Project"); and

WHEREAS, the CITY wishes to engage CONTRACTOR to carry out the Project; **NOW THEREFORE:**

The parties hereto agree as follows:

I. SCOPE OF WORK

1.1 CONTRACTOR will provide, oversee, administer, and carry out all activities and services in a manner satisfactory to the CITY and in compliance with the Work Statement, affixed hereto and incorporated herein for all purposes as Exhibit "A".

II. TERM

2.1 Except as otherwise provided for pursuant to the provisions hereof, this CONTRACT shall begin on the execution date and shall terminate on the earlier of (a) , or (b) Project completion.

2.2 The CITY shall have the option to renew this CONTRACT for an additional period not to exceed one (1) year, subject to (a) the CITY's receipt of additional monies sufficient to fund the renewal term; (b) CONTRACTOR satisfactorily meeting the performance requirements of this CONTRACT, as solely determined by the CITY; and (c) the prior approval by the City Council for the City of San Antonio of such contract renewal, as evidenced by an ordinance duly passed and approved.

III. CONSIDERATION

3.1 In consideration, the CITY will reimburse CONTRACTOR for costs incurred in accordance with the Project Budget approved by the City Council for the City of San Antonio in Ordinance No. . Said Project Budget is affixed hereto and incorporated herein for all purposes as Exhibit "B". It is specifically agreed that reimbursement hereunder shall not exceed the total amount of $.

3.2 The funding level of this CONTRACT is based on an allocation from the following funding sources:

$ Community Development Block Grant (CDBG).

Consequently, CONTRACTOR agrees to comply with Sections I, II- Exhibit "A" and III- Exhibit "A" of the Technical Workbook, affixed hereto and incorporated herein for all purposes as Exhibit "C", as may be amended from time to time, and the Special Provisions, affixed hereto and incorporated herein for all purposes as Exhibit "F".

3.3 It is expressly understood and agreed by the CITY and CONTRACTOR that the CITY's obligations under this CONTRACT are contingent upon the actual receipt of adequate Grant Funds to meet the CITY's liabilities hereunder.

IV. PAYMENT

4.1 CONTRACTOR agrees that this is a cost reimbursement contract and that the CITY's liability hereunder is limited to making reimbursements for allowable costs incurred as a direct result of CITY-funded services provided by CONTRACTOR in accordance with the terms of this CONTRACT. Allowable costs are defined as those costs which are necessary, reasonable and allowable under applicable federal, state, and local law, including but not limited to those laws referenced in Section XI hereof, for the proper administration and performance of the services to be provided under an agreement. All requested reimbursed costs must be consistent with the terms and provisions of the approved budgeted line items described in Exhibit "B" of

this CONTRACT. In no event shall the CITY be liable for any cost of CONTRACTOR not eligible for reimbursement as defined within this CONTRACT.

4.2 If specific circumstances require an advance payment on this CONTRACT, CONTRACTOR must submit to the Director of the Managing City Department a written request for such advance payment, including the specific reason for such request. The Director of the Managing City Department may, in his sole discretion, approve an advance payment on this CONTRACT. It is understood and agreed by the parties hereto that (a) each request requires submission to the Director of the Managing City Department no less than ten (10) business days prior to the actual ostensible cash need; (b) each request will be considered by the Director of the Managing City Department on a case-by-case basis; and (c) the decision by the Director of the Managing City Department whether or not to approve an advance payment is final. For purposes of this CONTRACT, the term, "business day" shall mean every day of the week except all Saturdays, Sundays, and those scheduled holidays officially adopted and approved by the City Council for the City of San Antonio employees. In those instances in which advance payments are authorized:

(a) Advance payments to vendors shall be remitted to the vendors in a prompt and timely manner, defined as not later than ten (10) calendar days after the CONTRACTOR is notified that a check is available from the CITY.

(b) CONTRACTOR must deposit the CITY funds in a separate account in a bank insured with the Federal Deposit Insurance Corporation (FDIC). In those situations where CONTRACTOR's total deposits in said bank, including all the CITY funds deposited in such separate account, exceed the FDIC insurance limit, CONTRACTOR must arrange with said bank to automatically have the excess collaterally secured. A written copy of the collateral agreement must be obtained by CONTRACTOR from CONTRACTOR's banking institution, maintained on file and be available for CITY monitoring reviews and audits. Advanced funds that cause CONTRACTOR's account balance to exceed $100,000.00 shall be deposited in a manner consistent with the Public Funds Investment Act (Chapter 2256 of the Texas Government Code) as amended.

4.3 CONTRACTOR agrees that reimbursements of eligible expenses shall be made monthly or bi-weekly, as determined by the Director of the Managing City Department according to standard procedures followed by the CITY's Finance Department.

4.4 CONTRACTOR agrees that all requests for reimbursement shall be accompanied with documentation required by the Director of the Managing City Department.

4.5 CONTRACTOR shall submit to CITY all final requests for payment no later than forty-five (45) days from the termination date of this CONTRACT, unless CONTRACTOR receives written authorization from the Director of the Managing City Department prior to such forty-five (45) day period allowing CONTRACTOR to submit a request for payment after such forty-five (45) day period.

4.6 CONTRACTOR agrees that the CITY shall not be obligated to any third parties (including any subcontractors or third party beneficiaries of the CONTRACTOR).

4.7 CONTRACTOR shall maintain a financial management system, and acceptable accounting records that provide for:

(a) Accurate, current, and complete disclosure of financial support from each federal, state, and locally sponsored project, and program in accordance with the reporting requirements set forth in Article VIII of this CONTRACT. If accrual basis reports are required, CONTRACTOR shall develop accrual data for its reports based on an analysis of the documentation available;

(b) Identification of the source and application of funds for CITY-sponsored activities. Such records shall contain information pertaining to CITY awards, authorizations, obligations, un-obligated balances, assets, equity, outlays, and income;

(c) Effective control over and accountability for all funds, property, and other assets. CONTRACTOR shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes. CONTRACTOR shall maintain an accounting system that can separate funds by funding source and project;

(d) Comparison of actual outlays with budget amounts for each award. Whenever appropriate or required by the CITY, financial information should be related to performance and unit cost data;

(e) Procedures to minimize the time elapsing between the transfer of funds from the CITY and the disbursement of said funds by CONTRACTOR;

(f) Procedures for determining reasonable, allowable, and allocable costs in accordance with the provisions of any and all applicable cost principles including, but not limited to, the cost principles referenced in Article XI hereof, and the terms of the award, grant, or contract, with the CITY;

(g) Supporting source documentation (i.e., timesheets, employee benefits, professional services agreements, purchases, and other documentation as required by CITY); and

(h) An accounting system based on generally acceptable accounting principles which accurately reflects all costs chargeable (paid and unpaid) to the Project. A Receipts and Disbursements Ledger must be maintained. A general ledger with an Income and Expense Account for each budgeted line item is necessary. Paid invoices revealing check number, date paid, and evidence of goods or services received are to be filed according to the expense account to which they were charged.

4.8 CONTRACTOR agrees that CONTRACTOR's costs or earnings claimed under this CONTRACT will not be claimed under another contract or grant from another agency.

4.9 CONTRACTOR shall establish and utilize a cost allocation methodology and plan, which ensures that the CITY is paying only its fair share of the costs for services, overhead, and staffing not solely devoted to the Project funded by this CONTRACT. The Cost Allocation Plan and supportive documentation shall be included in the financial statements that are applicable to CONTRACTOR's Project. The Cost Allocation Plan is a plan that identifies and distributes the cost of services provided by staff and/or departments or functions. It is the means to substantiate and support how the costs of a program are charged to a particular cost category or to the program.

4.10 Upon completion or termination of this CONTRACT, or at any time during the term of this CONTRACT, all unused funds, rebates, or credits on-hand or collected thereafter relating to the Project must immediately, upon receipt, be returned by CONTRACTOR to the CITY.

4.11 Upon execution of this CONTRACT or at any time during the term of this CONTRACT, the CITY's Director of Finance, the CITY Auditor, or a person designated by the Director of the Managing City Department may review and approve all CONTRACTOR's systems of internal accounting and administrative controls prior to the release of funds hereunder.

V. PROGRAM INCOME

5.1 For purposes of this CONTRACT, "program income" shall mean earnings of CONTRACTOR realized from activities resulting from this CONTRACT or from CONTRACTOR's management of funding provided or received hereunder. Such earnings shall include, but shall not be limited to, interest income, usage or rental/lease fees, income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of CONTRACTOR provided as a result of this CONTRACT, and payments from clients or third parties for services rendered by CONTRACTOR pursuant to this CONTRACT. At the sole option of the Director of the Managing City Department, CONTRACTOR will either (a) be required to return program income funds to the CITY through the Managing City Department, or (b) upon prior written approval by the Director of the Managing City Department, CONTRACTOR may be permitted to retain such funds to be:

(a) Added to the Project and used to further eligible Project objectives, in which case proposed expenditures must first be approved by the CITY; or

(b) Deducted from the total Project cost for the purpose of determining the net cost reimbursed by the CITY.

5.2 In any case, where CONTRACTOR is required to return program income to the Managing City Department, CONTRACTOR must return such program income to the CITY within the timeframe that may be specified by the Director of the Managing City Department. If the Director of the Managing City Department grants CONTRACTOR authority to retain program income, CONTRACTOR must submit all reports required by the Managing City Department within the timeframe specified in this CONTRACT.

5.3 CONTRACTOR shall provide the Managing City Department with thirty (30) days written notice prior to the activity that generates program income. Such notice shall detail the type of activity, time, and place of all activities that generate program income.

5.4 CONTRACTOR shall fully disclose and be accountable to the CITY for all program income. CONTRACTOR must submit a statement of expenditures and revenues to the Managing City Department within thirty (30) days of the activity that generates program income. The statement is subject to audit verification by Managing City Department. Failure by CONTRACTOR to report program income as required is grounds for suspension, cancellation, or termination of this CONTRACT.

5.5 CONTRACTOR is prohibited from charging fees or soliciting donations from participants in any CITY-funded project without the prior written approval of the Director of the Managing City Department.

5.6 CONTRACTOR shall include this Article V, in its entirety, in all of its subcontracts involving income-producing services or activities.

VI. ADMINISTRATION OF CONTRACT

6.1 For purposes of this CONTRACT, "program income" shall mean earnings of CONTRACTOR realized from activities resulting from this CONTRACT or from CONTRACTOR's management of funding provided or received hereunder. Such earnings shall include, but shall not be limited to, interest income, usage or rental/lease fees, income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of CONTRACTOR provided as a result of this CONTRACT, and payments from clients or third parties for services rendered by CONTRACTOR pursuant to this CONTRACT. At the sole option of the Director of the Managing City Department, CONTRACTOR will either (a) be required to return program income funds to the CITY through the Managing City Department, or (b) upon prior written approval by the Director of the Managing City Department, CONTRACTOR may be permitted to retain such funds to be:

(a) Added to the Project and used to further eligible Project objectives, in which case proposed expenditures must first be approved by the CITY; or

(b) Deducted from the total Project cost for the purpose of determining the net cost reimbursed by the CITY.

6.2 In the event that any disagreement or dispute should arise between the parties hereto pertaining to the interpretation or meaning of any part of this CONTRACT or its governing rules, regulations, laws, codes, or ordinances, the City Manager, as representative of the CITY, the party ultimately responsible for all matters of compliance with U.S. Department of Housing and Urban Development (HUD) rules and regulations, shall have the final authority to render or secure an interpretation.

6.3 CONTRACTOR shall not use funds awarded from this CONTRACT as matching funds for any federal, state, or local grant without the prior written approval of the Director of the Managing City Department.

6.4 The CITY shall have the authority during normal business hours to make physical inspections to the operating facility occupied to administer this CONTRACT and to require such physical safeguarding devices as locks, alarms, security/surveillance systems, safes, fire extinguishers, sprinkler systems, etc., to safeguard property and/or equipment authorized by this CONTRACT.

6.5 CONTRACTOR's board of Directors and Management shall adopt and approve an Employee Integrity Policy and shall establish and use internal program management procedures to preclude theft, embezzlement, improper inducement, obstruction of investigation or other criminal action, and to prevent fraud and program abuse. These procedures shall specify the consequences to CONTRACTOR's employees and vendors involved in such illegal activities to include, but not be limited to, termination and prosecution where necessary. Said procedures shall be provided to the Managing City Department upon request by the Managing City Department.

6.6 CONTRACTOR agrees to comply with the following check writing and handling procedures:

(a) No blank checks are to be signed in advance.

(b) No checks are to be made payable to cash or bearer with the exception of those for petty cash reimbursement, not to exceed a $100.00 maximum per check. CONTRACTOR agrees that the aggregate amount of petty cash reimbursement shall not exceed $200.00 per location for any given calendar month during the term of this CONTRACT unless CONTRACTOR receives prior written approval from the Managing City Department to exceed such limit. Such requests for petty cash must be supported by the submission to the Managing City Department of an original receipt.

(c) Checks issued by the CITY to CONTRACTOR shall be deposited into the appropriate bank account immediately or by the next business day after CONTRACTOR's receipt of each such check, and shall never be cashed for purposes of receiving any of the face amounts back.

6.7 CITY reserves the right to request CONTRACTOR to provide additional records for long distance calls, faxes, internet service, and/or cell phone calls charged to the CITY.

VII. AUDIT

7.1 If CONTRACTOR expends $500,000.00 or more of CITY funds, then during the term of this CONTRACT, CONTRACTOR shall have completed an independent audit of its financial statements performed within a period not to exceed ninety (90) days immediately succeeding the end of CONTRACTOR's fiscal year or termination of this CONTRACT,

whichever is earlier. CONTRACTOR understands and agrees to furnish the Managing City Department a copy of the audit report within a period not to exceed fifteen (15) days upon receipt of the report. In addition to the report, a copy of the corrective action plan, summary schedule of prior audit findings, management letter and/or conduct of audit letter are to be submitted to the Managing City Department by CONTRACTOR within fifteen (15) days upon receipt of said report or upon submission of said corrective action plan to the auditor.

CONTRACTOR agrees and understands that upon notification from federal, state, or local entities that have conducted program reviews and/or audits of CONTRACTOR or its programs of any findings about accounting deficiencies, or violations of CONTRACTOR's financial operations, a copy of the notification, review, investigation, and audit violations report must be forwarded to the Managing City Department within a period of ten (10) days upon CONTRACTOR's receipt of the report.

7.2 CONTRACTOR agrees that if CONTRACTOR receives or expends more than $500,000.00 in federal funds from the CITY, the audit shall be made in accordance with the Single Audit Act Amendments of 1996, the State of Texas Single Audit Circular, and U.S. Office of Management and Budget Circular (OMBA-133 revision) and CONTRACTOR shall also be required to submit copies of their annual independent audit report, and all related reports issued by the independent certified public accountant within a period not to exceed one hundred twenty (120) days after the end of CONTRACTOR's fiscal year to the Federal Audit Clearinghouse in Jeffersonville, Indiana. CONTRACTOR may submit reports through the following website: http://gov.fac@census.gov and may also contact the Clearinghouse by telephone at (301) 763-1551 (voice) or 1-888-222-9907 (toll free) or 1-800-253-0696.

Upon completion of Form SF-SAC, CONTRACTOR may submit the completed report by mail to:

Federal Audit Clearinghouse
1201 E. 10th Street
Jeffersonville, Indiana 47132

7.3 If CONTRACTOR expends less than $500,000.00 of CITY funds, then during the term of this CONTRACT, CONTACTOR shall complete and submit an unaudited financial statement(s) within a period not to exceed ninety (90) days immediately succeeding the end of CONTRACTOR's fiscal year or termination of this CONTRACT, whichever is earlier. Said financial statement shall include a balance sheet and income statement prepared by a bookkeeper and a cover letter signed by CONTRACTOR attesting to the correctness of said financial statement.

7.4 All financial statement(s) must include a schedule of receipts and disbursements by budgeted cost category for each program funded by or through the CITY.

7.5 The CITY reserves the right to conduct, or cause to be conducted an audit or review of all funds received under this CONTRACT at any and all times deemed necessary by the CITY. The CITY Internal Audit Staff, a Certified Public Accounting (CPA) firm, or other

personnel as designated by the CITY, may perform such audit(s) or reviews. The CITY reserves the right to determine the scope of every audit. In accordance herewith, CONTRACTOR agrees to make available to the CITY all accounting and Project records.

"CONTRACTOR shall, during normal business hours, and as often as deemed necessary by the CITY and/or the applicable state, or federal governing agency or any other auditing entity, make available the books, records, documents, reports, and evidence with respect to all matters covered by this CONTRACT and shall continue to be so available for a minimum period of three (3) years" or whatever period is determined necessary based on the Records Retention guidelines, established by applicable law for this CONTRACT. Said records shall be maintained for the required period beginning immediately after contract termination, save, and except there is litigation or if the audit report covering such agreement has not been accepted, CONTRACTOR shall retain the records until the resolution of such issues has satisfactorily occurred. The auditing entity shall have the authority to audit, examine and make excerpts, transcripts, and copies from all such books, records, documents and evidence, including all books and records used by CONTRACTOR in accounting for expenses incurred under this CONTRACT, all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to matters covered by this CONTRACT.

The CITY may, in its sole and absolute discretion, require the CONTRACTOR to use any and all of the CITY's accounting or administrative procedures used in the planning, controlling, monitoring, and reporting of all fiscal matters relating to this CONTRACT, and CONTRACTOR shall abide by such requirements.

7.6 When an audit or examination determines that CONTRACTOR has expended funds or incurred costs, which are questioned by the CITY and/or the applicable state or federal governing agency, CONTRACTOR shall be notified and provided an opportunity to address the questioned expenditure or costs.

Should any expense or charge that has been reimbursed be subsequently disapproved or disallowed as a result of any site review or audit, CONTRACTOR will immediately refund such amount to the CITY no later than ten (10) days from the date of notification of such disapproval or disallowance by the CITY. At its sole option, the Managing City Department may instead deduct such claims from subsequent reimbursements; however, in the absence of prior notice by the CITY of the exercise of such option, CONTRACTOR shall provide to the CITY a full refund of such amount no later than ten (10) days from the date of notification of such disapproval or disallowance by the CITY. If CONTRACTOR is obligated under the provision hereof to refund a disapproved or disallowed cost incurred, such refund shall be required and be made to the CITY by cashiers check or money order. Should the CITY, at its sole discretion, deduct such claims from subsequent reimbursements, CONTRACTOR is forbidden from reducing Project expenditures and CONTRACTOR must use its own funds to maintain the Project.

CONTRACTOR agrees and understands that all expenses associated with the collection of delinquent debts owed by CONTRACTOR shall be the sole responsibility of CONTRACTOR and shall not be paid from any Project funds received by CONTRACTOR under this CONTRACT.

7.7 If the CITY determines, in its sole discretion, that CONTRACTOR is in violation of the above requirements, the CITY shall have the right to dispatch auditors of its choosing to conduct the required audit and to have the CONTRACTOR pay for such audit from non-CITY resources.

VIII. RECORDS, REPORTING, AND COPYRIGHTS

8.1 The Managing City Department is assigned monitoring, fiscal control, and evaluation of projects. Therefore, at such times and in such form as may be required by the Managing City Department, CONTRACTOR shall furnish to the Managing City Department and the Grantor of the Grant Funds, if applicable, such statements, records, data, all polices and procedures, and information and permit the CITY and Grantor of the Grant Funds, if applicable, to have interviews with its personnel, board members and program participants pertaining to the matters covered by this CONTRACT.

8.2 CONTRACTOR shall submit to the Managing City Department such reports as may be required by U.S. Department of Housing and Urban Development (HUD), including Performance Records/Reports, a copy of which is affixed hereto and incorporated herein as Exhibit "D". The Performance Records/Reports are to be submitted by CONTRACTOR no later than the tenth (10th) business day of each month. CONTRACTOR ensures that all information contained in all required reports submitted to the CITY is accurate.

8.3 CONTRACTOR agrees to maintain in confidence all information pertaining to the Project or other information and materials prepared for, provided by, or obtained from the CITY including, without limitation, reports, information, project evaluation, project designs, data, other related information (collectively, the "Confidential Information") and to use the Confidential Information for the sole purpose of performing its obligations pursuant to this CONTRACT. CONTRACTOR shall protect the Confidential Information and shall take all reasonable steps to prevent the unauthorized disclosure, dissemination, or publication of the Confidential Information. If disclosure is required (i) by law or (ii) by order of a governmental agency or court of competent jurisdiction, CONTRACTOR shall give the Director of the Managing City Department prior written notice that such disclosure is required with a full and complete description regarding such requirement. CONTRACTOR shall establish specific procedures designed to meet the obligations of this Article VIII, Section 8.3 including, but not limited to, execution of confidential disclosure agreements, regarding the Confidential Information with CONTRACTOR's employees and subcontractors prior to any disclosure of the Confidential Information. This Article VIII, Section 8.3 shall not be construed to limit the CITY's or its authorized representatives' right of access to records or other information, confidential or otherwise, under this CONTRACT. Upon termination of this CONTRACT, CONTRACTOR shall return to the CITY all copies of materials related to the Project, including the Confidential Information.

8.4 The Public Information Act, Government Code, Section 552.021, requires the CITY to make public information available to the public. Under Government Code, Section 552.002(a), public information means information that is collected, assembled or maintained under a law or ordinance or in connection with the transaction of official business: 1) by a

governmental body; or 2) for a governmental body and the governmental body owns the information or has a right of access to it. Therefore, if CONTRACTOR receives inquiries regarding documents within its possession pursuant to this CONTRACT, CONTRACTOR shall within twenty-four (24) hours of receiving the requests forward such requests to the CITY for disposition. If the requested information is confidential pursuant to State or Federal law, CONTRACTOR shall submit to the CITY the list of specific statutory authority mandating confidentiality no later than three (3) business days of CONTRACTOR's receipt of such request.

8.5 In accordance with Texas law, CONTRACTOR acknowledges and agrees that all local government records as defined in Chapter 201, Section 201.003 (8) of the Texas Local Government Code created or received in the transaction of official business or the creation or maintenance of which were paid for with public funds are declared to be public property and subject to the provisions of Chapter 201 of the Texas Local Government Code and Subchapter J, Chapter 441 of the Texas Government Code. Thus, CONTRACTOR agrees that no such local government records produced by or on the behalf of CONTRACTOR pursuant to this CONTRACT shall be the subject of any copyright or proprietary claim by CONTRACTOR.

CONTRACTOR acknowledges and agrees that all local government records, as described herein, produced in the course of the work required by this CONTRACT, shall belong to and be the property of the CITY and shall be made available to the CITY at any time. CONTRACTOR further agrees to turn over to the CITY all such records upon termination of this CONTRACT. CONTRACTOR agrees that it shall not, under any circumstances, release any records created during the course of performance of this CONTRACT to any entity without the written permission of the Director of the Managing City Department, unless required to do so by a court of competent jurisdiction. The Managing City Department shall be notified of such request as set forth in Article VIII, Section 8.3 of this CONTRACT.

8.6 Ownership of Intellectual Property. CONTRACTOR and the CITY agree that the Project shall be and remain the sole and exclusive proprietary property of the CITY. The Project shall be deemed a "work for hire" within the meaning of the copyright laws of the United States, and ownership of the Project and all rights therein shall be solely vested in the CITY. CONTRACTOR hereby grants, sells, assigns, and conveys to the CITY all rights in and to the Project and the tangible and intangible property rights relating to or arising out of the Project, including, without limitation, any and all copyright, patent and trade secret rights. All intellectual property rights including, without limitation, patent, copyright, trade secret, trademark, brand names, color schemes, designs, screens, displays, user interfaces, data structures, organization, sequences of operation, trade dress, and other proprietary rights (the "Intellectual Property Rights") in the Project shall be solely vested in the CITY. CONTRACTOR agrees to execute all documents reasonably requested by the CITY to perfect and establish the City's right to the Intellectual Property Rights. In the event the CITY shall be unable, after reasonable effort, to secure CONTRACTOR's signature on any documents relating to Intellectual Property Rights in the Project, including without limitation, any letters patent, copyright, or other protection relating to the Project, for any reason whatsoever, CONTRACTOR hereby irrevocably designates and appoints the CITY and its duly authorized officers and agents as CONTRACTOR's agent and attorney-in-fact, to act for and in CONTRACTOR's behalf and stead to execute and file any such application or applications and to do all other lawfully

permitted acts to further the prosecution and issuance of letters patent, copyright or other analogous protection thereon with the same legal force and effect as if executed by CONTRACTOR. Provided, however, nothing herein contained is intended nor shall it be construed to require CONTRACTOR to transfer any ownership interest in CONTRACTOR's best practice and benchmarking information to the CITY.

8.7 Within a period not to exceed forty-five (45) days from the termination date of this CONTRACT, CONTRACTOR shall submit all final client and/or fiscal reports and all required deliverables to the CITY. CONTRACTOR understands and agrees that in conjunction with the submission of the final report, CONTRACTOR shall execute and deliver to the CITY a receipt for all sums and a release of all claims against the Project.

8.8 CONTRACTOR shall provide to the Managing City Department all information requested by the Managing City Department relating to CONTRACTOR's board functions. Information required for submission shall include but may not be limited to:

(a) Roster of current Board Members (name, title, address, telephone number, fax number and e-mail address);

(b) Current Bylaws and Charter;

(c) Terms of Officers;

(d) Amendments to Bylaws;

(e) Schedule of anticipated board meetings for current Fiscal Year;

(f) Minutes of board meetings that are approved by CONTRACTOR's board will become part of the CONTRACTOR's Project records and as such, must be available to the CITY staff upon request, provided; however, CONTRACTOR shall submit to the CITY minutes of board meetings that are approved by the CONTRACTOR's board on a quarterly basis for contracts with the CITY that are in an amount of $1,000,000.00 or greater;

(g) Board agenda, to be submitted at least three (3) business days prior to each board meeting.

8.9 CONTRACTOR agrees to comply with official records retention schedules in accordance with the Local Government Records Act of 1989 and any amendments thereto, referenced in Section 11.3 of this CONTRACT.

IX. INSURANCE

9.1 CONTRACTOR agrees to comply with the following insurance provisions:

(a) Prior to the commencement of any work under this CONTRACT, CONTRACTOR shall furnish copies of all required endorsements and completed Certificate(s)

of Insurance to the Department, which shall be clearly labeled "*insert name of project/contract*" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. CITY will not accept a memorandum of insurance or binder as proof of insurance. The certificate(s) must be signed by the authorized representative of the carrier, and list the agent's signature and phone number. The certificate shall be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to CITY. CITY shall have no duty to pay or perform under this CONTRACT until such certificate and endorsements have been received and approved by the Department. No officer or employee, other than CITY's Risk Manager, shall have authority to waive this requirement.

(b) CITY reserves the right to review the insurance requirements of this Article XVII during the effective period of this CONTRACT and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by CITY's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this CONTRACT. In no instance will CITY allow modification whereby CITY may incur increased risk.

(c) A CONTRACTOR's financial integrity is of interest to CITY; therefore, subject to CONTRACTOR's right to maintain reasonable deductibles in such amounts as are approved by CITY, CONTRACTOR shall obtain and maintain in full force and effect for the duration of this CONTRACT, and any extension hereof, at CONTRACTOR's sole expense, insurance coverage written on an occurrence basis, unless otherwise indicated, by companies authorized to do business in the State of Texas and with an A.M Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed below:

TYPE	AMOUNTS
1. Workers' Compensation	Statutory
2. Employers' Liability	$1,000,000/$1,000,000/$1,000,000
3. Commercial General Liability Insurance to include coverage for the following: a. Premises/Operations b. Products/Completed Operations c. Personal/Advertising Injury *d. Environmental Impairment/ Impact – sufficiently broad to cover disposal liability. *e. Explosion, Collapse, Underground	For Bodily Injury and Property Damage of $1,000,000 per occurrence; $2,000,000 General Aggregate, or its equivalent in Umbrella or Excess Liability Coverage
4. Business Automobile Liability a. Owned/leased vehicles b. Non-owned vehicles	Combined Single Limit for Bodily Injury and Property Damage of $1,000,000 per occurrence

c. Hired Vehicles	
5. *Professional Liability (Claims-made basis) To be maintained and in effect for no less than two years subsequent to the completion of the professional service.	$1,000,000 per claim, to pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages by reason of any act, malpractice, error, or omission in professional services.
6. *Builder's Risk	All Risk Policy written on an occurrence basis for 100% replacement cost during construction phase of any new or existing structure.
7. *Property Insurance: For physical damage to the property of LESSEE, including improvements and betterment to the Leased Premises	Coverage for replacement value with a minimum co-insurance factor of eighty percent (80%) of the cost of Contractor's property
****Please consult w/ RM to amend the insurance table to suit the scope of your contract****	
*if applicable	

(d) CONTRACTOR agrees to require, by written contract, that all sub-contractors providing goods or services hereunder obtain the same categories of insurance coverage required of CONTRACTOR herein, and provide a certificate of insurance and endorsement that names the CONTRACTOR and the CITY as additional insureds. Policy limits of the coverages carried by sub-contractors will be determined as a business decision of CONTRACTOR. CONTRACTOR shall provide CITY with said certificate and endorsement prior to the commencement of any work by the sub-contractor. This provision may be modified by CITY's Risk Manager, without subsequent City Council approval, when deemed necessary and prudent, based upon changes in statutory law, court decisions, or circumstances surrounding this CONTRACT. Such modification may be enacted by letter signed by CITY's Risk Manager, which shall become a part of the CONTRACT for all purposes.

(e) As they apply to the limits required by the CITY, CITY shall be entitled, upon request and without expense, to receive copies of the policies, declaration page, and all required endorsements. CONTRACTOR shall be required to comply with any such requests and shall submit requested documents to CITY at the address provided below within ten (10) calendar days. CONTRACTOR shall pay any costs incurred resulting from provision of said documents.

City of San Antonio
Attn: Division of Grants Monitoring and Administration
P.O. Box 839966
San Antonio, Texas 78283-3966

(f) CONTRACTOR agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:

(1) Name the CITY, its officers, officials, employees, volunteers, and elected representatives as additional insureds by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the CITY, with the exception of the workers' compensation and professional liability policies;

(2) Provide for an endorsement that the "other insurance" clause shall not apply to CITY where CITY is an additional insured shown on the policy;

(3) Workers' compensation, employers' liability, general liability and automobile liability policies will provide a waiver of subrogation in favor of CITY.

(4) Provide advance written notice directly to CITY of any suspension or non-renewal in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.

(g) Within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, CONTRACTOR shall provide a replacement Certificate of Insurance and applicable endorsements to CITY. CITY shall have the option to suspend CONTRACTOR's performance should there be a lapse in coverage at any time during this CONTRACT. Failure to provide and to maintain the required insurance shall constitute a material breach of this CONTRACT.

(h) In addition to any other remedies CITY may have upon CONTRACTOR's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, CITY shall have the right to order CONTRACTOR to stop work hereunder, and/or withhold any payment(s) which become due to CONTRACTOR hereunder until CONTRACTOR demonstrates compliance with the requirements hereof.

(i) Nothing herein contained shall be construed as limiting in any way the extent to which CONTRACTOR may be held responsible for payments of damages to persons or property resulting from CONTRACTOR's or its sub-contractors' performance of the work covered under this CONTRACT.

(j) It is agreed that CONTRACTOR's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by CITY for liability arising out of operations under this CONTRACT.

(k) It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this CONTRACT and that no claim or action by

or on behalf of CITY shall be limited to insurance coverage provided.

(l) CONTRACTOR and any sub-contractors are responsible for all damage to their own equipment and/or property.

X. INDEMNITY

10.1 CONTRACTOR covenants and agrees to FULLY INDEMNIFY, DEFEND, and HOLD HARMLESS, the CITY and the elected officials, employees, officers, directors, volunteers, and representatives of CITY, individually or collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon CITY, directly or indirectly arising out of, resulting from or related to CONTRACTOR's activities under this CONTRACT, including, but not limited to, any acts or omissions of CONTRACTOR, any agent, officer, director, representative, employee, contractor or subcontractor of CONTRACTOR, and each of their respective officers, agents, employees, directors, and representatives while in the exercise of the rights or performance of the duties under this CONTRACT. The indemnity provided for in this Section 10.1 shall not apply to any liability resulting from the negligence of CITY, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. IN THE EVENT CONTRACTOR AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

10.2 The provisions of the indemnity in Section 10.1 are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. CONTRACTOR shall advise the CITY in writing within twenty-four (24) hours of any claim or demand against the CITY or CONTRACTOR known to CONTRACTOR related to or arising out of CONTRACTOR's activities under this CONTRACT and shall see to the investigation and defense of such claim or demand at CONTRACTOR's cost. CITY shall have the right, at its option and at its own expense, to participate in such defense without relieving CONTRACTOR of any of its obligations under Section 10.1 and this Section 10.2.

10.3 CITY shall have the right to select or to approve defense counsel to be retained by CONTRACTOR in fulfilling its obligation hereunder to defend and indemnify CITY, unless such right is expressly waived by CITY in writing. CONTRACTOR shall retain CITY approved defense counsel within seven (7) business days of CITY's written notice that CITY is invoking its right to indemnification under this CONTRACT. If CONTRACTOR fails to retain counsel within such time period, CITY shall have the right to retain defense counsel on its own behalf, and CONTRACTOR shall be liable for all costs incurred by CITY. CITY shall also have the right, at its option, to be represented by advisory counsel of its own selection and at its own expense, without waiving the foregoing.

10.4 In any and all claims against any party indemnified hereunder by any employee of CONTRACTOR, any sub-contractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation herein provided shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for CONTRACTOR or any sub-contractor under worker's compensation or other employee benefit acts.

XI. APPLICABLE LAWS

11.1 CONTRACTOR certifies that it will provide a drug-free workplace in compliance with the Drug-Free Workplace Act of 1988 and the Drug-Free Workplace Rules established by the Texas Worker's Compensation Commission effective April 17, 1991. Failure to comply with the above-referenced law and regulations could subject CONTRACTOR to suspension of payments, termination of this CONTRACT, and debarment and suspension actions.

11.2 CONTRACTOR understands that certain funds provided it pursuant to this CONTRACT are funds which have been made available by the CITY's General Operating Budget and/or by federal, state, or other granting entities. Consequently, CONTRACTOR agrees to comply with all laws, rules, regulations, policies, and procedures applicable to the funds received by CONTRACTOR hereunder as directed by the CITY or as required in this CONTRACT. In addition, CONTRACTOR shall comply with the following Office of Management and Budget (OMB) Circulars, as applicable to the funds received by CONTRACTOR hereunder:

(a) OMB Circular A-21, entitled, "Cost Principles for Educational Institutions";

(b) OMB Circular A-87, entitled, "Cost Principles for State, Local, and Indian Tribal Governments";

(c) OMB Circular A-102, entitled, "Grants and Cooperative Agreements with State and Local Governments";

(d) OMB Circular A-122, entitled, "Cost Principles for Non-Profit Organizations"; and

(e) OMB Circular A-133, entitled, "Audits of States, Local Governments, and Not for Profit Organizations."

11.3 All of the work performed under this CONTRACT by CONTRACTOR shall comply with all applicable laws, rules, regulations, and codes of the United States and the State of Texas and with the charter, ordinances, bond ordinances, and rules and regulations of the City of San Antonio and County of Bexar. Additionally, CONTRACTOR shall comply with the following:

(a) Local Government Records Act of 1989 official record retention schedules;

(b) Government Code Chapter 552 pertaining to Texas Public Information Act;

(c) Texas Government Code Chapter 2254 pertaining to Professional and Consulting Services; and

(d) Texas Local Government Code.

In addition to the applicable laws referenced above, CONTRACTOR must also adhere to compliance requirements that are applicable to the specific funding source(s) from which funds paid to CONTRACTOR hereunder originated. For example, CDBG contractors are required to follow applicable CDBG regulations.

11.4 CONTRACTOR shall not engage in employment practices, which have the effect of discriminating against any employee or applicant for employment, and, will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to their race, color, religion, national origin, sex, age, handicap, or political belief or affiliation. Specifically, CONTRACTOR agrees to abide by all applicable provisions of the City of San Antonio Ordinance No. 69403 on file in the City Clerk's Office. Additionally, CONTRACTOR certifies that it will comply fully with the following non-discrimination, minimum wage, and equal opportunity provisions, including but not limited to:

(a) Title VII of the Civil Rights Act of 1964, as amended;

(b) Section 504 of the Rehabilitation Act of 1973, as amended;

(c) The Age Discrimination Act of 1975, as amended;

(d) Title IX of the Education Amendments of 1972, as amended; (Title 20 USC sections 1681-1688);

(e) Fair Labor Standards Act of 1938, as amended;

(f) Equal Pay Act of 1963, P.L. 88-38; and

(g) All applicable regulations implementing the above laws.

11.5 CONTRACTOR warrants that any and all taxes that CONTRACTOR may be obligated for, including but not limited to, federal, state, and local taxes, fees, special assessments, federal and state payroll and income taxes, personal property, real estate, sales and franchise taxes, are current, and paid to the fullest extent liable as of the execution date of this CONTRACT. CONTRACTOR shall comply with all applicable local, state, and federal laws including, but not limited to:

(a) Worker's compensation;

(b) Unemployment insurance;

(c) Timely deposits of payroll deductions;

(d) Filing of Information on Tax Return Form 990 or 990T, Quarterly Tax Return Form 941, W-2's Form 1099 on individuals who received compensation other than wages, such as car allowance, Forms 1099 and 1096 for contract or consultant work, non-employee compensation, etc.;

(e) Occupational Safety and Health Act regulations; and

(f) Employee Retirement Income Security Act of 1974, P.L. 93-406.

11.6 CONTRACTOR agrees to comply with the Americans with Disabilities Act P.L. 101-336, enacted July 26, 1990, and all regulations thereunder.

11.7 CONTRACTOR agrees to abide by any and all future amendments or additions to such laws, rules, regulations, policies, and procedures as they may be promulgated.

11.8 All expenditures by CONTRACTOR or any of its subcontractors must be made in accordance with all applicable federal, state, and local laws, rules and regulations.

11.9 CONTRACTOR shall submit to the Managing City Department on an annual basis Form
990 or 990T.

XII. NO SOLICITATION/CONFLICT OF INTEREST

12.1 CONTRACTOR warrants that no person or selling agency or other organization has been employed or retained to solicit or secure this CONTRACT upon a contract or understanding for a commission, percentage, brokerage, or contingent fee and further that no such understanding or agreement exists or has existed with any employee of the CONTRACTOR or the CITY. For breach or violation of this warrant, the CITY shall have the right to terminate this CONTRACT without liability or, at its discretion, to deduct from the CONTRACT or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee, or to seek such other remedies as legally may be available.

12.2 CONTRACTOR covenants that neither it nor any member of its governing body or of its staff presently has any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this CONTRACT. CONTRACTOR further covenants that in the performance of this CONTRACT, no persons having such interest shall be employed or appointed as a member of its governing body or of its staff.

12.3 CONTRACTOR further covenants that no member of its governing body or of its staff shall possess any interest in, or use their position for, a purpose that is or gives the

appearance of being motivated by desire for private gain for themselves or others, particularly those with which they have family, business, or other ties.

12.4 No member of the CITY's governing body or of its staff who exercises any function or responsibility in the review or approval of the undertaking or carrying out of this CONTRACT shall:

(a) Participate in any decision relating to this CONTRACT which may affect his or her personal interest or the interest of any corporation, partnership, or association in which he or she has a direct or indirect interest; or

(b) Have any direct or indirect interest in this CONTRACT or the proceeds thereof.

12.5 CONTRACTOR acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a CITY officer or employee, as those terms are defined in Section 2-52 of the Ethics Code, from having a financial interest in any contract with the CITY or any CITY agency such as CITY-owned utilities. An officer or employee has "prohibited financial interest" in a contract with the CITY or in the sale to the CITY of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale: a CITY officer or employee, his parent, child or spouse, a business entity in which the officer or employee, or his parent, child or spouse owns ten percent (10%) or more of the voting stock or shares of the business entity, or ten percent (10%) or more of the fair market value of the business entity, a business entity in which any individual or entity above listed is subcontractor on a CITY contract, a partner or a parent or subsidiary business entity.

12.6 CONTRACTOR warrants and certifies, and this CONTRACT is made in reliance thereon, (that neither CONTRACTOR nor his or her spouse, parent, child, sibling or first-degree relative is a CITY officer or employee as defined by Section 2-52 (e) of the CITY Ethics Code. If CONTRACTOR is a business entity, CONTRACTOR representative further warrants and certifies that no CITY officer or employee nor any spouse, parent, child sibling or first-degree relative of a CITY officer or employee owns ten percent (10%) or more of the voting stock or shares of the business entity, or ten percent (10%) or more of the fair market value of the business entity). CONTRACTOR further warrants and certifies that is has tendered to the CITY a Discretionary Contracts Disclosure Statement in compliance with the CITY's Ethics Code.

XIII. TERMINATION

13.1 Termination for Cause – Should CONTRACTOR fail to fulfill, in a timely and proper manner, obligations under this CONTRACT to include performance standards established by the CITY, or if CONTRACTOR should violate any of the covenants, conditions, or stipulations of this CONTRACT, the CITY shall thereupon have the right to terminate this CONTRACT by sending written notice to CONTRACTOR of such termination and specify the effective date thereof (which date shall not be sooner than the end of ten (10) days following the day on which such notice is sent). CONTRACTOR shall be entitled to receive just and equitable compensation for any work satisfactorily completed prior to such termination date. The question of satisfactory completion of such work shall be determined by the CITY alone, and its decision

shall be final. It is further expressly understood and agreed by the parties that CONTRACTOR's performance upon which final payment is conditioned shall include, but not be limited to, CONTRACTOR's complete and satisfactory performance, of its obligations for which final payment is sought.

13.2 Termination for Convenience – This CONTRACT may be terminated in whole or in part when the CITY determines that continuation of the Project would not produce beneficial results commensurate with the further expenditure of funds. Such termination by the CITY shall specify the date thereof, which date shall not be sooner than thirty (30) days following the day on which notice is sent. CONTRACTOR shall also have the right to terminate this CONTRACT and specify the date thereof, which date shall not be sooner than the end of thirty (30) days following the day on which notice is sent. CONTRACTOR shall be entitled to receive just and equitable compensation for any work satisfactorily completed prior to such termination date. The question of satisfactory completion of such work shall be determined by the CITY alone, and its decision shall be final. It is further expressly understood and agreed by the parties that CONTRACTOR's performance upon which final payment is conditioned shall include, but not be limited to, CONTRACTOR's complete and satisfactory performance of its obligations for which final payment is sought.

13.3 Notwithstanding any other remedy contained herein or provided by law, the CITY may delay, suspend, limit, or cancel funds, rights, or privileges herein given CONTRACTOR for failure to comply with the terms and provisions of this CONTRACT. Specifically, at the sole option of the CITY, CONTRACTOR may be placed on probation during which time the CITY may withhold reimbursements in cases where it determines that the CONTRACTOR is not in compliance with this CONTRACT. CONTRACTOR shall not be relieved of liability to the CITY for damages sustained by the CITY by virtue of any breach of this CONTRACT, and the CITY may withhold funds otherwise due as damages, in addition to retaining and utilizing any other remedies available to the CITY.

13.4 Should CONTRACTOR be debarred by the CITY pursuant to a debarment policy currently existing or hereafter adopted, said debarment may within the CITY's sole and absolute discretion, be grounds for termination for cause.

XIV. PROHIBITION OF POLITICAL ACTIVITIES

14.1 CONTRACTOR agrees that no funds provided from or through the CITY shall be contributed or used to conduct political activities for the benefit of any candidate for elective public office, political party, organization or cause, whether partisan or non-partisan, nor shall the personnel involved in the administration of the Project provided for in this CONTRACT be assigned to work for or on behalf of any partisan or non-partisan political activity.

14.2 CONTRACTOR agrees that no funds provided under this CONTRACT may be used in any way to attempt to influence, in any manner, a member of congress or any other state or local elected or appointed official.

14.3 The prohibitions set forth in Article XIV; Sections 14.1 and 14.2 of this CONTRACT include, but are not limited to, the following:

(a) An activity to further the election or defeat of any candidate for public office or for any activity undertaken to influence the passage, defeat or final content of local, state or federal legislation;

(b) Working or directing other personnel to work on any political activity during time paid for with CITY funds, including, but not limited to activities such as taking part in voter registration drives, voter transportation activities, lobbying, collecting contributions, making speeches, organizing or assisting at meetings or rallies, or distributing political literature;

(c) Coercing personnel, whether directly or indirectly, to work on political activities on their personal time, including activities such as taking part in voter registration drives, voter transportation activities, lobbying, collecting contributions, making speeches, organizing or assisting at meetings or rallies, or distributing political literature; and

(d) Using facilities or equipment paid for, in whole or in part with CITY funds for political purposes including physical facilities such as office space, office equipment, or supplies, such as telephones, computers, fax machines, during and after regular business hours.

14.4 To ensure that the above policies are complied with, CONTRACTOR shall provide every member of its personnel paid out of CITY funds with a statement of the above prohibitions and have each said individual sign a statement acknowledging receipt of the policy. Such statement shall include a paragraph that directs any staff person who has knowledge of violations or feels that he or she has been pressured to violate the above policies to call and report the same to the Managing City Department. CONTRACTOR shall list the name and number of a contact person from the Managing City Department on the statement that CONTRACTOR's personnel can call to report said violations.

14.5 CONTRACTOR agrees that in any instance where an investigation of the above is ongoing or has been confirmed, reimbursements paid to CONTRACTOR under this CONTRACT may, at the CITY's discretion, be withheld until the situation is resolved.

14.6 This Article shall not be construed to prohibit any person from exercising his or her right to express his or her opinion or to limit any individual's right to vote. Further, CONTRACTOR and staff members are not prohibited from participating in political activities on their own volition, if done during time not paid for with CITY funds.

XV. PERSONNEL MANAGEMENT

15.1 CONTRACTOR agrees to establish internal procedures that assure employees of an established complaint and grievance policy. The grievance policy will include procedures to receive, investigate, and resolve complaints and grievances in an expeditious manner.

15.2 CONTRACTOR is permitted to pay its full time employees for the total number of holidays authorized by the City Council for the City of San Antonio employees. If the CONTRACTOR elects to observe more than the total number of holidays authorized by the City Council for the City of San Antonio employees, then such additional days are not eligible for reimbursement under this CONTRACT.

15.3 CONTRACTOR agrees that the job titles and descriptions set forth in the Project Budget (Exhibit "B") that affect a salary or range increase may not be changed without justification and prior written approval from the Director of the Managing City Department, as evidenced through a written amendment to this CONTRACT approved by the Director of the Managing City Department.

15.4 CONTRACTOR agrees that all copies of written job descriptions will be filed in all individual personnel folders for each position in the organization.

15.5 CONTRACTOR agrees to provide the CITY with the names and license registration of any employees of contractor regulated by state law whose activities contribute towards, facilitate, or coordinate the performance of this CONTRACT.

15.6 At the sole discretion of the Director of the Managing City Department, CONTRACTOR may be reimbursed by the CITY for the cost of pay granted to full time, permanent employees that is not chargeable to annual or personal leave only for the reasons listed below:

(a) To attend annual training in a branch of the Armed Services, not to exceed fifteen (15) business days during the term of this CONTRACT;

(b) To serve as a juror;

(c) To attend the funeral of someone in the immediate family. Immediate family shall include father, mother, sister, brother, husband, wife or child, and other relatives, (including in-laws) if such other relatives are actually members of the employee's household. In such event, CONTRACTOR may grant up to three (3) work days of leave with pay that is not chargeable to annual or personal leave; or

(d) To attend seminars or workshops.

15.7 Chief Executive Officers (CEOs), directors and other supervisory personnel of CONTRACTOR may not supervise a spouse, parents, children, brothers, sisters, and in-laws standing in the same relationship, (hereinafter referred to as "Relatives") who are involved in any capacity with program delivery supported through CITY funds. Relatives, however, may be co-workers in the same Project in a non-supervisory position.

XVI. ADVERSARIAL PROCEEDINGS

16.1 CONTRACTOR agrees to comply with the following special provisions:

(a) Under no circumstances will the funds received under this CONTRACT be used, either directly or indirectly, to pay costs or attorney fees incurred in any adversarial proceeding against the CITY or any other public entity; and

(b) CONTRACTOR, at the CITY's option, could be ineligible for consideration to receive any future funding while any adversarial proceedings against the CITY remains unresolved.

XVII. CITY-SUPPORTED PROJECT

17.1 CONTRACTOR shall publicly acknowledge that this Project is supported by the CITY as directed by the Managing City Department.

XVIII. EQUIPMENT

18.1 CONTRACTOR understands and agrees that if equipment is authorized in the CONTRACTOR's approved budget, prior approval must be requested and received from the CITY for the purchase of non-expendable items which equal or exceed the single unit cost of $100.00 and which have an expected lifetime of more than one year, and for groups of items equaling or exceeding the total cost of $100.00 and which have an expected lifetime of more than one year. CONTRACTOR retains ownership of all equipment/property purchased with funds received through the CITY. It is understood that the terms, "equipment," and "property," as used herein, shall include not only furniture and other durable property, but also vehicles.

18.2 CONTRACTOR shall not use equipment acquired with Community Development Block Grant funds to provide services to non-Federal outside organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute. CONTRACTOR shall use the equipment for the Project as long as needed, whether or not the Project continues to be supported by Federal funds, but shall not encumber the equipment without approval of HUD. When the equipment is no longer needed for this Project, CONTRACTOR shall use the equipment in connection with CDBG activities. Equipment not needed by CONTRACTOR for CDBG activities shall be transferred to the CITY for its CDBG program or may be retained by CONTRACTOR after compensating the CITY. If the CONTRACT is terminated for cause, CONTRACTOR agrees that title to such equipment/property shall, at the CITY's sole option, revert to the CITY at the CONTRACT's termination. CONTRACTOR agrees to relinquish and transfer possession of and, if applicable, title to said property without the requirement of a court order upon termination for cause of this CONTRACT.

18.3 During the time that equipment is used on this Project, CONTRACTOR shall make it available for use on other projects or programs if such other use will not interfere with the work on this Project. First preference for such other use shall be given to other projects or

programs sponsored by HUD that financed the equipment; second preference shall be given to projects or programs sponsored by other Federal awarding agencies. If the equipment is owned by the Federal Government, use on other activities not sponsored by the Federal Government shall be permissible only if authorized by HUD. User charges shall be treated as program income.

18.4 CONTRACTOR shall maintain accurate records on all items obtained with CITY funds to include:

(a) A description of the equipment, including the model and serial number, or other identification number, if applicable;

(b) The date of acquisition, cost, and procurement source, purchase order number, and vendor number;

(c) Information from which one can calculate the percentage of Federal participation in the cost of the equipment;

(d) An indication of whether the equipment is new or used;

(e) The vendor's name (or transferred from);

(f) The location and condition of the equipment and the date the information was reported;

(g) The property number shown on the property tag; and

(h) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where CONTRACTOR compensates the CITY or HUD for its share.

18.5 CONTRACTOR shall provide to the CITY an annual physical inventory of equipment and a reconciliation of the results with the equipment records. CONTRACTOR shall investigate any differences between quantities determined by the physical inspection and those shown in the accounting records to determine the causes of the difference. CONTRACTOR shall, in connection with the inventory, verify the existence, current utilization, and continued need for the equipment.

18.6 CONTRACTOR is fully and solely responsible for the safeguarding, maintaining, and reporting of lost, stolen, missing, damaged, or destroyed equipment/property purchased or leased with CITY funds. All lost, stolen, missing, damaged and/or destroyed equipment/property shall be reported to the local Police Department and, if applicable, the Federal Bureau of Investigation (FBI). CONTRACTOR shall make such reports immediately and shall notify and deliver a copy of the official report to the Managing City Department within seventy-two (72) hours from the date that CONTRACTOR discovers the lost, stolen, missing, damaged, and/or

destroyed equipment/property. The report submitted by CONTRACTOR to the Managing City Department shall minimally include:

(a) A reasonably complete description of the missing damaged or destroyed articles of property, including the cost and serial number and other pertinent information;

(b) A reasonably complete description of the circumstances surrounding the loss, theft, damage or destruction; and

(c) A copy of the official written police report or, should the Police not make such copy available, a summary of the report made to the Police, including the date the report was made and the name and badge number of the Police Officer who took the report.

18.7 CONTRACTOR shall implement adequate maintenance procedures to keep the equipment in good condition. Additionally, all equipment purchased under this CONTRACT shall be fully insured against fire, loss, and theft.

18.8 CONTRACTOR agrees that no equipment purchased with CITY funds may be disposed of without receiving prior written approval from the Managing City Department. Where CONTRACTOR is authorized or required to sell the equipment, proper sales procedures shall be established which provide for competition to the extent practicable and result in the highest possible return, and all sale proceeds shall be program income, prorated to reflect the extent to which Community Development Block Grant funds were used to acquire the equipment. In cases of theft and/or loss of equipment, it is the responsibility of CONTRACTOR to replace it with like equipment. CITY funds cannot be used to replace equipment in those instances. All replacement equipment will be treated in the same manner as equipment purchased with CITY funds.

XIX. TRAVEL

19.1 The cost associated with budgeted travel for business, either in-town or out-of-town, are allowable costs provided documentation of expenses is present.

(a) CONTRACTOR agrees that mileage reimbursement paid to CONTRACTOR's employees shall be reimbursed at a rate no more liberal than the CITY's policy for mileage reimbursement, which is consistent with Internal Revenue Service (IRS) rules. CONTRACTOR further agrees that in order for its employees to be eligible for mileage reimbursement, the employees: 1) shall be required to possess a valid Texas Driver's License and liability insurance as required by law, and 2) must record, on a daily basis, odometer readings before and after business use, showing total business miles driven each day and must keep such record in the vehicle. Mileage records are subject to spot-checks by the CITY. CONTRACTOR shall strongly encourage the participation by its employees in an approved defensive driving course. Evidence of the required driver's license and liability insurance must be kept on file with CONTRACTOR.

(b) CONTRACTOR agrees that in order to obtain reimbursement of the costs associated with budgeted out of town travel for business in connection with this CONTRACT,

CONTRACTOR shall: 1) provide the CITY with detailed documentation of such business travel expense(s), 2) ensure that any and all costs associated with out-of-town travel (including per diem rates) shall not be more liberal than the CITY's travel policies which conform with the reimbursement rates established by the United States General Services Administration, 3) purchase all business travel at economy class rates and shall document such; and 4) submit support for conferences to include itineraries and documentation certifying conference attendance.

XX. NO USE OF FUNDS FOR RELIGIOUS ACTIVITIES

20.1 CONTRACTOR agrees that none of the performance rendered hereunder shall involve, and no portion of the funds received hereunder shall be used, directly or indirectly, for the acquisition, construction, operation, maintenance, administration or rehabilitation of a facility to the extent that that facility is used for inherently religious activities, such as worship, religious instruction, or proselytization. CONTRACTOR further agrees not to engage in inherently religious activities, such as worship, religious instruction, or proselytization when using said facility.

XXI. DEBARMENT

21.1 CONTRACTOR certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in any state or federal program.

21.2 CONTRACTOR shall provide immediate written notice to the CITY, in accordance with the notice requirements of Article XXV herein, if, at any time during the term of this CONTRACT, including any renewals hereof, CONTRACTOR learns that its certification was erroneous when made or have become erroneous by reason of changed circumstances.

XXII. ASSIGNMENT

22.1 CONTRACTOR shall not assign or transfer CONTRACTOR's interest in this CONTRACT or any portion thereof without the written consent of the City Council for the City of San Antonio, and if applicable, the Grantor of the grant source. Any attempt to transfer, pledge or otherwise assign shall be void ab initio and shall confer no rights upon any third person or party.

XXIII. AMENDMENT

23.1 Any alterations, additions or deletions to the terms hereof shall be by amendment in writing executed by both the CITY and CONTRACTOR and evidenced by passage of a subsequent CITY ordinance, as to the CITY's approval, provided; however, the Director of the Managing City Department shall have the authority to execute an amendment of this CONTRACT without the necessity of seeking any further approval by the City Council for the City of San Antonio, if permitted by all applicable local, state and federal laws, and in the following circumstances:

(a) An increase in funding of this CONTRACT in an amount not exceeding (a) twenty-five percent (25%) of the total amount of this CONTRACT or (b) $25,000.00, whichever is the lesser amount, provided; however, that the cumulative total of all amendments increasing contract funding during the term of this CONTRACT shall not exceed the foregoing amount;

(b) Modifications to the Performance Measures set forth in Exhibit "C" hereto, so long as the terms of the amendment stay within the parameters set forth in the Statement of Work, also set forth in Exhibit "A" hereto;

(c) Budget line item shifts of funds, so long as the total dollar amount of the budget set forth in Section 3.1 of this CONTRACT remains unchanged, provided; however, that budget line item shifts of funds related to personnel services cannot exceed the total dollar amount allocated to personnel services set forth in the Project Budget (Exhibit "B") of this CONTRACT; and

(d) Modifications to the insurance provisions described in Article IX of this CONTRACT that receive the prior written approval of the City of San Antonio's Risk Manager and the Director of the Managing City Department.

XXIV. SUBCONTRACTING

24.1 None of the work or services covered by this CONTRACT shall be sub-contracted without the prior written consent of the Grantor of the grant source, if so required by said Grantor.

24.2 CONTRACTOR must comply with all applicable local, state and federal procurement standards, rules, regulations, and laws in all its sub-contracts related to the work or funds herein. It is further agreed by the parties hereto that the CITY has the authority to monitor, audit, examine, and make copies and transcripts of all sub-contracts, as often as deemed appropriate by the CITY. If, in the sole determination of the CITY, it is found that all applicable local, state and federal procurement standards, rules, regulations and laws have not been met by CONTRACTOR with respect to any of its sub-contracts, then CONTRACTOR will be deemed to be in default of this CONTRACT, and as such, this CONTRACT will be subject to termination in accordance with the provisions hereof.

24.3 Any work or services for sub-contracting hereunder, shall be sub-contracted only by written contract, and unless specific waiver is granted in writing by the CITY, shall be subject by its terms to each and every provision of this CONTRACT. Compliance by sub-contractors with this CONTRACT shall be the responsibility of CONTRACTOR. CONTRACTOR agrees that payment for services of any sub-contractor shall be submitted through CONTRACTOR, and CONTRACTOR shall be responsible for all payments to sub-contractors.

24.4 CONTRACTOR certifies that its subcontractors are not presently debarred, suspended, or proposed for debarment, declared ineligible or voluntarily excluded from participation in any state or federal program.

XXV. OFFICIAL COMMUNICATIONS

25.1 For purposes of this CONTRACT, all official communications and notices among the parties shall be deemed sufficient if in writing and mailed, registered or certified mail, postage prepaid, to the addresses set forth below:

CITY:
Division of Grants Monitoring and Administration
1400 S. Flores
San Antonio, Texas 78204
Attn: Loan Servicing

CONTRACTOR:

Notices of changes of address by either party must be made in writing delivered to the other party's last known address within five (5) business days of the change.

XXVI. VENUE

26.1 CONTRACTOR and the CITY agree that this CONTRACT shall be governed by and construed in accordance with the laws of the State of Texas. Any action or proceeding brought to enforce the terms of this CONTRACT or adjudicate any dispute arising out of this CONTRACT shall be bought in a court of competent jurisdiction in San Antonio, Bexar County, Texas.

XXVII. GENDER

27.1 Words of any gender used in this CONTRACT shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

XXVIII. AUTHORITY

28.1 The signer of this CONTRACT for CONTRACTOR represents, warrants, assures, and guarantees that he has full legal authority to execute this CONTRACT on behalf of CONTRACTOR and to bind CONTRACTOR to all of the terms, conditions, provisions and obligations herein contained. CONTRACTOR shall provide evidence to the CITY upon execution of this CONTRACT that it is currently operating as a non-profit entity with a current Internal Revenue Code, Section 501(c)(3) status, or a for-profit entity governed by an autonomous governing body, acting in accordance with the governing instruments submitted to the CITY in the application for funding. Whether a non-profit or for-profit entity, CONTRACTOR must be authorized to do business in the State of Texas and be formed under and operating in accordance with all applicable laws of the State of Texas. CONTRACTOR shall provide Managing City Department verification of the foregoing requirements no later than the execution date of this CONTRACT.

XXIX. LICENSES AND TRAINING

29.1 CONTRACTOR warrants and certifies that CONTRACTOR's employees and its subcontractors have the requisite training, license, or certification to provide said services, and meet all competence standards promulgated by all other authoritative bodies, as applicable to the services provided herein.

XXX. INDEPENDENT CONTRACTOR

30.1 It is expressly understood and agreed that CONTRACTOR is and shall be deemed to be an independent contractor, responsible for its respective acts or omissions and that the CITY shall in no way be responsible therefore, and that neither party hereto has authority to bind the other nor to hold out to third parties that it has the authority to bind the other.

30.2 Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of employer-employee, principal-agent, partners, joint venture, or any other similar such relationship, between the parties hereto.

30.3 Any and all of the employees of CONTRACTOR, wherever located, while engaged in the performance of any work required by the CITY under this CONTRACT shall be considered employees of CONTRACTOR only, and not of the CITY, and any and all claims that may arise from the Workers' Compensation Act on behalf of said employees while so engaged shall be the sole obligation and responsibility of CONTRACTOR.

XXXI. SEVERABILITY

31.1 If any clause or provision of this CONTRACT is held invalid, illegal or unenforceable under present or future federal, state or local laws, including but not limited to the CITY Charter, CITY Code, or ordinances of the CITY, then and in that event it is the intention of the parties hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this CONTRACT shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein; it is also the intention of the parties hereto that in lieu of each clause or provision of this CONTRACT that is invalid, illegal or unenforceable, there be added as a part of this CONTRACT a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable.

XXXII. CONTRIBUTION PROHIBITIONS

The provisions of Article XXXII shall apply to all contracts considered "high risk" as that term is defined in the City of San Antonio Contracting Policy and Process Manual.

32.1 CONTRACTOR acknowledges that City Code, Section 2-309 provides that any person acting as a legal signatory for a proposed contractual relationship that applies for a "high-risk" discretionary contract, as defined by the City of San Antonio Contracting Policy and Process Manual, may not make a campaign contribution to any councilmember or candidate at any time from the time the person submits the response to the Request for Proposal (RFP) or

Request for Qualifications (RFQ) until thirty (30) calendar days following the contract award. CONTRACTOR understands that if the legal signatory entering this CONTRACT has made such a contribution, the CITY may not award the contract to that contributor or to that contributor's business entity. Any legal signatory for a proposed high-risk contract must be identified within the response to the RFP or RFQ, if the identity of the signatory will be different from the individual submitting the response.

32.2 CONTRACTOR acknowledges that the CITY has identified this CONTRACT as high risk.

32.3 CONTRACTOR warrants and certifies, and this CONTRACT is made in reliance thereon, that the individual signing this CONTRACT has not made any contributions in violation of City Code, Section 2-309, and will not do so for thirty (30) calendar days following the award of this CONTRACT. Should the signor of this CONTRACT violate this provision, the City Council may, in its discretion, declare this CONTRACT void.

XXXIII. ENTIRE CONTRACT

33.1 This CONTRACT and its attachments, if any, constitute the entire and integrated contract between the parties hereto and contain all of the terms and conditions agreed upon, and supersede all prior negotiations, representations, or contracts, either oral or written.

[***Signature page follows.***]

SAMPLE

IN WITNESS WHEREOF, CITY and SUB-GRANTEE have executed this AGREEMENT effective as of the date last written below.

CITY OF SAN ANTONIO,
a Texas municipal corporation

By: _____

Grants Administrator
Division of Grants Monitoring
and Administration

Date: _____

CONTRACTING AGENCY:

By: _____

Date: _____

APPROVED AS TO FORM:

By: _____

Assistant City Attorney

ATTACHMENTS:
Exhibit "A" – Work Statement
Exhibit "B" – Project Budget
Exhibit "C" – Technical Workbook
Exhibit "D" – Performance Records/Reports
Exhibit "E" – Invoice/Billing Package
Exhibit "F" – Special Provisions

SAMPLE

ATTACHMENT V

FY 2017 Action Plan and Budget
Authorized Positions

Dept.	Position Title	FY 2016	FY 2017
CAO	City Attorney II	1	1
CAO	City Attorney III	1	1
DSD	Code Enforcement Officer	3	3
DPCD	Compliance Lead Analyst	1	1
DPCD	Compliance Manager	1	1
DPCD	Compliance Sr. Analyst	3	3
DPCD	Grant Administrator	1	1
DPCD	Administrative Assistant I	1	1
DPCD	Administrative Assistant II	1	1
DPCD	Contract Manager	1	1
DPCD	Department Fiscal Administrator	1	1
DPCD	Environmental Assessor	2	2
DPCD	Fiscal Analyst	2	2
DPCD	Fiscal Manager	1	1
DPCD	Fiscal Officer	1	1
DPCD	Fiscal Sr. Customer Services Rep.	1	1
DPCD	Grant Manager	1	1
DPCD	Construction Contract Officer	1	1
DPCD	Housing Loan Coordinator	2	2
DPCD	Housing Loan Officer	1	1
DPCD	Management Analyst	3	3
DPCD	Neighborhood Renewal Manager	1	1
DPCD	Planning Coordinator	2	2
DPCD	Senior Management Coordinator	1	1
DPCD	Senior Environmental Assessor	1	1
DPCD	Senior Economic Development Specialist	1	1
DPCD	Senior Management Analyst	2	2
DHS	Program Manager	1	1
DHS	Community Services Specialist	4	4
DHS	Family Support Supervisor	1	1
DHS	Management Analyst	1	1
	TOTAL	**45**	**45**