

CONTRACT BETWEEN CITY OF INDEPENDENCE  
  
AND  
  
**Community Capital Fund**  
  
FOR  
  
**Small Business Assistance Program**

THIS AGREEMENT, entered this \_\_\_\_ day of \_\_\_\_\_, 2021, by and between The City of Independence, (hereafter referred to as City) and **Community Capital Fund** (hereafter referred to as Sub-recipient).

WHEREAS, the City of Independence has applied for and entered into a contract for FY 2019-20 with the U.S. Department of Housing and Urban Development (HUD), under which HUD has agreed to provide \$814,159 in Community Development Block Grant (CDBG) (CFDA#14.218) entitlement funds under Title I of the Housing and Community Development Act of 1974, as amended; and \$478,943 in Community Development Block Grant CARES Act of 2019 (CDBG-CV) (CFDA#14.218); and

WHEREAS, the City of Independence wishes to engage the Sub-recipient to assist the City in utilizing such funds to carry out a portion of the program described in its Annual Action Plan:

NOW, THEREFORE, it is agreed between the parties hereto that:

**I.SCOPE OF SERVICE**

- A.        Activities  
The Sub-recipient will be responsible for administering a CDBG Year 45 **Small Business Assistance Program** in a manor satisfactory with the City of Independence and consistent with any standards required as a condition of providing these funds. This program will provide will help stimulate the local economy in The City of Independence by providing emergency grants and/or loans to qualifying small businesses.
  
- B.        Levels of Accomplishment  
In addition to the normal administrative services required as part of this Agreement, the Sub-recipient agrees to provide the following levels of program services: A minimum of 5 and a maximum of 20 businesses in the City of Independence will benefit from the Small Business Assistance Program.

<u>Budget</u>	
CDBG Case Worker Salary and Benefits.....	\$20,000

Small Business Grants or Loans .....	\$105,000
TOTAL.....	\$125,000.00

- C. Performance Monitoring  
The City of Independence will monitor the performance of the Sub-recipient against goals and performance standards required herein. Substandard performance as determined by the City of Independence will constitute non-compliance with this agreement. If action to correct such substandard performance is not taken by the Sub-recipient within a reasonable period of time after being notified by the City of Independence, contract suspension or termination procedures will be initiated.
- D. Performance Measurement  
The Sub-recipient will be subject to HUD requirements for establishing project outcomes and reporting on project performance. Program objectives will be measured in a matter suited to each program and reported in the annual Objectives and Outcomes Tables of the City’s Consolidated Action Plan Evaluation Report (CAPER).

**II.TIME OF PERFORMANCE**

Services of the Sub-recipient shall start on the 1<sup>st</sup> day of January, 2021 and end on the 1<sup>st</sup> day of March, 2022. The term of this Agreement may not be extended. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Sub-recipient remains in control of CDBG funds or other assets including Program income. The term of this CDBG Public Services Agreement may not be extended.

**III.PAYMENT**

It is expressly agreed and understood that the total amount to be paid by the City under this Agreement shall not exceed **\$125,000.00** Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in Paragraph **IB** herein and in accordance with performance. Expenses for general administration shall also be paid against the line item budgets specified in Paragraph **IB** and in accordance with performance.

Payments may be contingent upon certification of the sub-recipient's financial management system in accordance with the standards specified in 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final guidance).

**IV.NOTICES**

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

**CITY OF INDEPENDENCE**

Tom Scannell, Community Development  
Director  
City of Independence, Com. Dev. Dept.  
111 E. Maple Ave.  
Independence, Missouri 64050  
(816) 325-7000

**SUB-RECIPIENT**

Phyllis Hardwick, Chief Executive Officer  
Community Capital Fund  
3200 Wayne  
Kansas City, Mo 64109  
816-502-9584

**V. SPECIAL CONDITIONS**

The Sub-recipient agrees to comply with the requirements of Title 24 Code of Federal Regulations, Part 570 of the Housing and Urban Development regulations concerning Community Development Block Grants (CDBG) and all Federal regulations and policies issued pursuant to these regulations. The Sub-recipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

**VI. GENERAL CONDITIONS**

A. General Compliance

The Sub-recipient agrees to comply with all applicable Federal, State, and local laws and regulations governing the funds provided under this Agreement.

B. Independent Contractor

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Sub-recipient shall at all times remain an independent contractor with respect to the services to be performed under this Agreement. The City of Independence shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance as the Sub-recipient is an independent Sub-recipient.

C. Hold Harmless

The Sub-recipient shall hold harmless, defend and indemnify the City from any and all claims, actions, suits, charges and judgements whatsoever that arise out of the Sub-recipient performance or nonperformance of the services called for in this Agreement.

D. Workers' Compensation

The Sub-recipient shall provide Workers' Compensation Insurance coverage for all employees involved in the performance of this Agreement.

E. Insurance and Bonding

The Sub-recipient shall carry sufficient insurance coverage to protect assets connected with this Agreement from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the City.

The Sub-recipient shall comply with the bonding and insurance requirements of 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final guidance).

F. Grantor Recognition

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

G. Amendments

The City or the Sub-recipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations, and approved by the City's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the City or Sub-recipient from its obligations under this Agreement. This agreement may not be extended.

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

H. Suspension or Termination

Either party may terminate this Agreement at any time by giving written notice to the other party of such termination and specifying the effective date thereof at least 30 days before the effective date of such termination. Partial terminations of the Scope of Services in Paragraph I above may only be undertaken with the prior approval of the City. In the event of any termination for convenience, all finished or unfinished documents, data, studies, surveys, maps, models, photographs, reports or other materials prepared by Sub-recipient under this Agreement shall, at the option of the City of Independence, become the property of the City,

and Sub-recipient shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents or materials prior to the termination.

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

In the event sufficient funds shall not be appropriated or are not otherwise legally available for payment for the services to be provided under this Contract, the City may terminate this contract. In the event of termination for non-appropriation, the City agrees that it shall, to the extent it is lawful, not expend any funds for the same or similar purpose before the date this Contract would have terminated but for the non-appropriation. Furthermore, in the event that funding is re-appropriated within 12 months of the non-appropriation, appropriation priority will be given to interrupted projects.

I. Reversion of Assets

Upon the expiration of this Agreement, **Community Capital Fund** shall transfer to the City any CDBG-CV funds on hand at time of expiration and any accounts receivable attributable to the use of CDBG-CV funds. It shall also insure that any real property under **Community Capital Fund** control that was acquired or improved in whole or in part with CDBG funds in excess of \$125,000.00 is either:

- a. used to meet one of the national objectives in Section 570.208 of the Federal Regulations, until five years after expiration of the agreement or such longer period of time as determined appropriate by the City; or
- b. is disposed of in a manner which results in the City being reimbursed in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non CDBG funds for acquisition of, or improvement to, the property. Such reimbursement is not required after the period of time specified in accordance with (a) above.

**VII. ADMINISTRATIVE REQUIREMENTS**

A. Financial Management

1. Accounting Standards – Sub-recipient agrees to comply with the audit standards of 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final guidance) and agrees to adhere to the accounting principals and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles – Sub-recipient shall administer its program in conformance with 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final guidance) for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record-Keeping

1. Records to be Maintained - The Sub-recipient shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506, and that are pertinent to the activities to be funded under this Agreement. Such records shall include, but are not limited to:
  - a. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program.
  - b. Records required to determine the eligibility of activities;
  - c. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved
  - d. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
  - e. Financial records as required by 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final guidance); and
  - f. Other records necessary to document compliance with Subpart K of 24 CFR 570.
2. Retention - The Sub-recipient shall retain all records pertinent to expenditures incurred under this Agreement for a period of four (4) years after the termination of all activities funded under this Agreement, or after the resolution of all Federal audit findings, which ever occurs later. Records for non-expendable property acquired with funds under this Agreement shall be retained for four (4) years after final disposition of such property. Records for any displaced person must be kept for four (4) years after he/she has received final payment.
3. Client Data - The Sub-recipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to City monitors or their designees for review upon request.
4. Property Records - The Sub-recipient shall maintain real property inventory records which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform with the "changes in use" restrictions specified in 24 CFR Parts 570.503(b)(8).

5. National Objectives - The Sub-recipient agrees to maintain documentation that demonstrates that the activities carried out with funds provided under this Agreement meet one or more of the CDBG-CV program's national objectives - 1) benefit low/moderate income persons, 2) aid in the prevention or elimination of slums or blight, 3) meet community development needs having a particular urgency - as defined in 24 CFR Part 570.208.
6. Close-Outs – Sub-recipient's obligation to the City shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of Program assets (including the return of all unused materials, equipment, unspent cash advances, Program income balances, and receivable accounts to the City), and determining the custodianship of records.
7. Audits & Inspections - All of Sub-recipient's record with respect to any matters covered by this Agreement shall be made available to the City, grantor agency, their designees or the Federal Government, at any time during normal business hours, as often as the City or grantor agency deems necessary, to audit, examine, and make excerpts of transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Sub-recipient within 30 days after receipt by the Sub-recipient. Failure of the Sub-recipient to comply with the above audit requirement will constitute a violation of this Agreement and may result in the withholding of future payments. Sub-recipient hereby agrees to comply with the audit requirements of 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Guidance). If applicable, financial audits will be submitted within 60 days of the Sub-recipient's fiscal year end with proof of submission to the Federal Audit Clearinghouse.
- 8.

C. Reporting and Payment Procedures

1. Budgets - The Sub-recipient will submit a detailed Agreement budget of a form and content prescribed by the City for approval by the City. The City and the Sub-recipient may agree to revise the budget from time to time in accordance with existing City policies.
2. Program Income - The Sub-recipient shall report monthly all program income as defined at 24 CFR 570.500(a) generated by activities carried out with CDBG funds made available under this Agreement. The use of Program income by the Sub-recipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Sub-recipient may use such income during the Agreement period for activities permitted under this Agreement and shall reduce requests for additional funds by the amount of any such Program income balances on hand. All unused Program income shall be returned to the City at the end of the Agreement period. Any interest

earned on cash advances from the U.S. Treasury is not Program income and shall be remitted promptly to the City.

3. Payment Procedures - The City will pay to the Sub-recipient funds available under this Agreement based upon information submitted by the Sub-recipient and consistent with any approved budget and City policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Sub-recipient, and not to exceed actual cash requirements. Payments will be adjusted by the City in accordance with advance fund and Program income balances available in Sub-recipient's account. In addition, the City reserves the right to liquidate funds available under this Agreement for costs incurred by the City on behalf of Sub-recipient. Statistical information will be reported on a quarterly basis at minimum.

4. Progress Reports - The Sub-recipient shall submit regular Progress Reports to the City in the form, content, and frequency as required by the City.

D. Procurement

1. Compliance - The Sub-recipient shall comply with current City policy concerning the purchase of equipment and shall maintain an inventory record of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All Program assets (unexpended Program income, property, equipment, etc.) shall revert to the City upon termination of this Agreement.
2. OMB Standards - The Sub-recipient shall procure materials and services in accordance with the requirements of 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final guidance).
3. Relocation, Acquisition and Displacement - The Sub-recipient agrees to comply with 24 CFR 570.606 relating to the acquisition and disposition of all real property utilizing grant funds, and to the displacement of persons, businesses, non-profit organization and farms occurring as a direct result of any acquisition of real property utilizing grant funds. The Sub-recipient agrees to comply with applicable City Ordinances, Resolutions, and Policies concerning displacement of individuals from their residences.



## **VIII. PERSONNEL & PARTICIPANT CONDITIONS**

### **A. Civil Rights**

1. Compliance - The Sub-recipient agrees to comply with Chapter 213, RsMO, and Article 3 of Chapter 4 of the Code of the City of Independence and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 109 of Title I of the Housing and Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11375 and 12086.
2. Nondiscrimination - The Sub-recipient will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability, age, marital status, or status with regard to public assistance. The Sub-recipient will take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices include, but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Sub-recipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.
3. Land Covenants - This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570, Part 1. In regard to the sale, lease, or other transfer of land acquired, cleared, or improved with assistance provided under this Agreement, the Sub-recipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the City and the United States are beneficiaries of and entitled to enforce such covenants. The Sub-recipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.
4. Section 504 - The Sub-recipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. 706) which prohibits discrimination against persons with disabilities in any federally assisted program. The City shall provide the Sub-

recipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Approved Plan - The Sub-recipient agrees that it shall be committed to carry out pursuant to the City's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965. The City shall provide Affirmative Action guidelines to the Sub-recipient to assist in the formulation of such Program.
2. W/MBE - The Sub-recipient will use its best efforts to afford minority and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the term "minority and female business enterprise" means a business at least fifty-one percent (51%) owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Sub-recipient may rely on written representations by the enterprises regarding their status as minority and female business enterprises in lieu of an independent investigation.
3. Access to Records - The Sub-recipient shall furnish and cause each of its sub-Sub-recipients to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the City, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.
4. Notifications - The Sub-recipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the Sub-recipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
5. EEO/AA Statement - The Sub-recipient will, in all solicitations or advertisements for employees placed by or on behalf of the Sub-recipient state that it is an Equal Opportunity or Affirmative Action employer.
6. Subcontract Provisions - the Sub-recipient will include the provisions of Paragraphs VIII A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each Sub-recipient-Sub-recipients or vendor.

C. Employment Restrictions

1. Prohibited Activity - The Sub-recipient is prohibited from using funds provided herein or personnel employed in the administration of the program for political activities; sectarian, or religious activities; lobbying, political patronage, and nepotism activities.
2. OSHA - Employees shall not be required or permitted to work, be trained, or receive services in buildings or surroundings or under working conditions which are unsanitary, hazardous or dangerous to the participants' health or safety. Where an activity is covered by the Occupational Safety and Health Act of 1970, compliance with the standards established pursuant to that Act shall be deemed to constitute the provision of a safe workplace.
3. Labor Standards - The Sub-recipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours, the safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C. 276, 327-333) and all other applicable Federal, State and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this contract. The Sub-recipient shall maintain documentation which demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the City for review upon request.

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

4. "Section 3" Clause -
  - a. Compliance with the provisions of "Section ", as that regulation is set forth in 24 CFR 135, and all applicable rules and orders issued

hereunder prior to the execution of this Agreement, shall be a condition of the Federal financial assistance provided under this Agreement and binding upon the City, the Sub-recipient and any sub-Sub-recipients. Failure to fulfill these requirements shall subject the City, the Sub-recipient and any sub-Sub-recipients, their successors and assigns, to those sanctions specified by the agreement through which Federal assistance is provided.

The Sub-recipient further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

The work to be performed under this contract is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701.

Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the area of the project.

The Sub-recipient certifies and agrees that no contractual or other disability exists which would prevent compliance with these requirements.

- b. Notifications - The Sub-recipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- c. Subcontracts - The Sub-recipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the sub-Sub-recipient is in violation of regulations issued by the Grantor Agency. The Sub-recipient will not subcontract with any sub-Sub-recipient where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135 and will not let any subcontract unless the sub-Sub-recipient has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Drug-Free Workplace

The Sub-recipient agrees to have as part of its policies a drug-free workplace statement consistent with the Drug-Free Workplace Act and similar to the one that follows. The agency will provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about -
  - a. The dangers of drug abuse in the workplace;
  - b. The grantee's policy of maintaining a drug-free workplace;
  - c. Any available drug counseling, rehabilitation, and employee assistance programs;
  - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
  - a. Abide by the terms of the statement;
  - b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4b from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has

designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4b, with respect to any employee who is so convicted -
  - a. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
  - b. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purpose by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5, and 6.

E. Conduct

1. Assignability - The Sub-recipient shall not assign or transfer any interest in this Agreement without the prior written consent of the City thereto; provided, however, that claims for money due or to become due to the Sub-recipient from the City under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the City.
2. Hatch Act - The Sub-recipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V United States Code.
3. Conflict of Interest - The Sub-recipient agrees to abide by the provisions of 24 CFR 570.611 with respect to conflicts of interest, and covenants that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. The Sub-recipient further covenants that in the performance of this contract no person having such a financial interest shall be employed or retained by the Sub-recipient hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the Grantee, or of any designated public agencies or Sub-recipient which are receiving funds under the CDBG Entitlement Program.

4. Subcontracts
  - a. Approvals - The Sub-recipient shall not enter into any subcontracts with any agency or individual in the performance of this Agreement without the written consent of the City prior to the execution of such agreement.
  - b. Monitoring - The Sub-recipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.
  - c. Content - The Sub-recipient shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.
  - d. Selection Process - The Sub-recipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open compensation basis. Executed copies of all subcontracts shall be forwarded to the City along with documentation concerning the selection process.
5. Copyright - If this Agreement results in any copyrightable material, the City and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work for government purposes.
6. Religious Organization - The Sub-recipient agrees that funds provided under this Agreement will not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization in accordance with the Federal regulations specified in 24 CFR 570.200(j).

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

**CITY OF INDEPENDENCE, MISSOURI**

**Community Capital Fund**

By:

\_\_\_\_\_  
Zachary Walker, City Manager

By:

\_\_\_\_\_  
W. Phyllis Hardwick, Executive Director

Title:

Attest:

\_\_\_\_\_  
Rebecca Behrens, City Clerk

Attest:

Title:

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

Fed. 43-0976396  
I.D.#:/  
DUNS 1415566810000

\_\_\_\_\_  
Shannon M. Marciano, City Counselor