

**MEMORANDUM OF UNDERSTANDING
COMMUNITY DEVELOPMENT BLOCK GRANT
CARES ACT**

A MEMORANDUM OF UNDERSTANDING (MOU), by and between Kitsap County hereinafter referred to as “County” and, **Kitsap County Human Services Housing and Homelessness Division** hereinafter referred to as “Agency” by which the Agency agrees to carry out specific activities under Kitsap County’s Community Development Block Grant Program and establishing certain other terms and conditions of operation.

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

ATTACHMENTS

Attachment A – Budget Summary

IT IS MUTUALLY AGREED AS FOLLOWS:

ARTICLE I. PROJECT

SECTION 1. SCOPE OF SERVICES

The County, as recipient of a Community Development Block Grant Cares Act (CDBG-CV) funds from the United States Department of Housing and Urban Development (HUD), hereby designates the Agency to undertake, and the Agency hereby agrees to undertake the activities specifically described in the application and summarized below:

A. General Statement

CDBG-CV3 (Cares Act) funds will be used to renovate an existing 75,000 square foot building into a 75-bed temporary shelter, called the Pacific Building, to address COVID-19 impacts for Kitsap County homeless individuals. The county will contract with a local non-profit service provider to operate the shelter.

B. Agency Shall:

1. Renovate the building located at 4459 Mile Hill Drive, formerly used as a fitness center, into a shelter for homeless individuals, providing benefit to an estimated 125 individuals annually. Renovations will include installation of a new fire suppression and fire alarm system, roof replacement, installation of a security system, upgrade of HVAC system, addition of hygiene facilities (adding showers, sinks, toilets, urinals), ADA upgrades and improvements, addition of some interior partition walls, various health and safety

upgrades, addition of sidewalks and exterior ramps and landings, siding repair, possible new sewer connection, and possible new water hydrant.

2. Ensure that homeless individuals in Kitsap County who have been adversely impacted by COVID-19 have access to the facility.
3. Target services to limited clientele with principally low-and moderate-incomes based on HUD’s presumed LMI benefit – homeless persons.
4. Ensure no choice limiting activity begins prior to completion of NEPA environmental review and receipt of a Notice to Proceed from the Block Grant office.
5. Advertise for architectural and engineering services and solicit bids for construction; outreach to MWBE and encourage Section 3 local businesses. (see *CDBG Guidebook Appendix E Procurement and Appendix 2 Section 3*).
6. Ensure all contracts include the appropriate federal contract provisions (see *CDBG Guidebook Appendix 1a Bid and Contract Provisions*).
7. Select architect, engineer, and contractor and ensure they and any subcontractors do not have an active exclusion record in the federal award system (SAM.gov) and include documentation in file.
8. Obtain federal and state prevailing wage rates and prepare bid documents in consultation with Block Grant Staff (see *CDBG Guidebook Section I Labor Standards and Construction*).
9. Conduct bid opening, provide construction start date, schedule and changes to Block Grant.
10. Obtain appropriate land use approval, required permits and inspections.
11. Provide Block Grant Office with copies of advertisements, RFQ, Bid Packet, Building Plans, Contracts and debarment verifications.
12. Facilitate a pre-construction conference with the contractor and Block Grant Staff for Davis Bacon and Section 3 requirements.
13. Complete renovation according to the approved scope of work.
14. Notify Block Grant staff immediately of any modifications to proposed project scope or schedule changes.
15. Provide Block Grant Office with copy of Certificate of Occupancy.
16. Record restricted use covenant, provided by Block Grant Office, to ensure the property continues to be used as a shelter for homeless individuals for at least **fifteen years** after project close out, the restricted use period.
17. Maintain required records and track relevant data to demonstrate project success.
18. Ensure there is no duplication of benefits with the CDBG-CV and or other funds.
19. Submit quarterly reports and billing vouchers in a timely manner.
20. Arrange with Block Grant staff pre-rehab and post-rehab inspections.
21. Notify Block Grant staff as soon as possible of project completion for closeout.

SECTION 2. PROJECT DESCRIPTION

<i>Project Details</i>	
Project Name:	Pacific Building Homeless Shelter
Funded Amount:	\$692,974
Action Plan Year:	2019 – Cares Act
Type of Project:	Rehab of Public Facility
Service Area:	Countywide

Project Address/Location:	4459 SE Mile Hill Drive Port Orchard, WA 98366 Tax Parcel #302402-4-144-2009, 302402-4-214-2004, 302402-4-193-2009
<i>Eligibility</i>	
National Objective:	LMC 570.208 (a)(2)(i)(A)
Basic Eligible Activity Citation:	24 CFR 570.201(c) – Public Facility
Matrix Code:	03C
Strategic Plan Objective and Strategy:	Provide essential public facilities & infrastructure projects linked to affordable housing
<i>HUD Performance Measures</i>	
HUD Objective of Activity:	Suitable Living Environment
HUD Outcome:	Availability/Accessibility
<i>Federal Contract Requirements – 2 CFR Part 200</i>	
Unique Entity Identifier Number:	LD6MNJ62JQD1
Federal Award Identifier Number (FAIN)	B-20-UW-53-0005
Research or Development Contract:	No
Indirect Cost (IDC) Rate for Federal Award:	
<input type="checkbox"/> Approved Rate	%
<input type="checkbox"/> De Minimis for IDC Rate	
<input checked="" type="checkbox"/> Not Applicable	

SECTION 3. SCHEDULE FOR COMPLETION (specific milestones)

Specific Tasks	Start Date	End Date
NEPA Environmental Review and Request for Release of Funds from HUD		
Advertise for architectural and engineering services	2/15/22	3/4/22
Verification of architect/engineer eligibility – debar check (sam.gov)	6/10/22	6/10/22
Architect/Engineer selection	3/7/22	3/11/22
Land Use and Building Permits	July 2022	March 2023
Obtain Federal Prevailing Wage Rates from Block Grant Office	Nov 2022	Jan 2023
Draft Bid Packet and submit to Block Grant Office for review	Dec 2022	Feb 2023
Sealed Bid Process (Formal Advertising) for contractor selection see CDBG Guidebook Appendix E Procurement	Jan 2023	March 2023
Provide Block Grant Office with copy of construction contract for review prior to finalizing See CDBG Guidebook Section I Labor Standards and Construction	Jan 2023	March 2023
Bid opening, contractor selection and construction contract	Jan 2023	March 2023

Verification of contractor eligibility – debar check (sam.gov)	Jan 2023	March 2023
Preconstruction Conference	Feb 2023	April 2023
CDBG initial inspection	Feb 2023	April 2023
Renovation Work	Feb 2023	Aug 2023
CDBG progress inspections	Feb 2023	Aug 2023
Contractor submission of certified payrolls	Feb 2023	Sept 2023
Submit of Quarterly Performance Reports	Sept 2022	Dec 2023
Obtain contract completion documents and final lien waiver	May 2023	Aug 2023
Final Inspection and Certificate of Occupancy	June 2023	Sept 2023
Final reimbursement and close-out reports (number served and demographic information)	July 2023	Dec 2023
CDBG contract close-out	July 2023	Dec 2023

SECTION 4. TERM OF MOU

The term of this MOU is 5/1/22 through 12/31/23 but may be extended should additional time for auditing this project be required, in accordance with law, this MOU shall be deemed automatically extended until such time as the said audit shall be completed. Notwithstanding other provisions of this MOU, the term of this MOU shall cover the period that the Agency has control over Community Development Block Grant funds, including program income.

SECTION 5. PROGRAM REPORTING

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

- (A) Quarterly reports which shall include the progress made to date, or justification for lack of progress, in providing the services specified in Article I, Section 1 Scope of Services, of this MOU.
- (B) Quarterly reports on demographic, neighborhood residence, and income information regarding persons assisted by the Agency through this MOU.
- (C) Close out reports including a final performance report, inventory of all property acquired or improved with CDBG funds, and final financial report, upon termination or completion of the award.

ARTICLE II. FINANCIAL CONDITIONS

SECTION 1. BUDGET AND COMPENSATION

The County shall reimburse the Agency its allowable costs for the services identified in this MOU not to exceed **six hundred ninety-two thousand nine hundred seventy-four dollars (\$692,974)**, upon presentation of a properly executed invoice in a form approved by the County.

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

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

Budget Summary:

See Attachment 'A' for Budget Summary

Time of Payment: Payment shall be made upon receipt of reimbursement request voucher emailed to **Bonnie Tufts – btufts@kitsap.gov** and hard copy mailed to: **Block Grant Office, Kitsap County Department of Human Services, 345 6th Street Suite 400, Bremerton, WA 98337-1869.**

Where Payments Are Made: Payments shall be made to: **Kitsap County Human Services, Housing and Homelessness Division, 345 6th Street Suite 400, Bremerton, WA 98337-1869.**

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

SECTION 2. DOCUMENTATION OF COSTS AND OTHER FINANCIAL REPORTING

The Agency shall meet the financial management standards in 2 CFR 200 Subpart D. All costs shall be supported by properly executed payrolls, time records, invoices, vouchers or other official documentation, as evidence of the nature and propriety of the charges. All accounting documents pertaining in whole or in part to this MOU shall be clearly identified and readily accessible, and upon reasonable notice, the County and United States shall have the right to audit the records of the Agency as they relate to the work. The Agency shall also:

- (A) Maintain an effective system of internal fiscal control and accountability for all CDBG funds and property acquired or improved with CDBG funds, and make sure the same are used solely for authorized purposes.
- (B) Keep a continuing record of all disbursements by date, check number, amount, vendor, description of items purchased and line item from which money was expended, as reflected in the Agency's accounting records. The line item notations must be substantiated by a receipt, invoice marked "Paid," or payroll record.
- (C) Maintain payroll and financial records for a period of six (6) years after receipt of final payment under this MOU provided that this program has been monitored by HUD and the annual State audit (which included the CDBG Program), has been completed. If HUD has not completed the annual State audit, the records must be retained until such audit has been completed.
- (D) Permit inspection and audit of its records with respect to all matters authorized by this MOU by representatives of the County, the State Auditor, and/or the United States at any time during normal business hours and as often as necessary.
- (E) Inform the County concerning any funds allocated to the Agency, that the Agency anticipates will not be expended during this MOU period, and permit reassignment of the same by the County to other agencies.
- (F) Repay to the County any funds in its possession at the time of termination of this MOU that may be due to the County or the United States.
- (G) Maintain complete records concerning the receipt and use of all program income. Program income shall be reported on a quarterly basis on forms provided by the County.
- (H) Unless stated otherwise herein, all records and reports required under this MOU shall be maintained for a minimum of six (6) years, or the Restricted Use period, whichever is longer.

SECTION 3. REIMBURSEMENT

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

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

In the event the County or United States determines any funds were expended by the Agency for unauthorized or ineligible purposes or the expenditures constitute disallowed costs in any other way, the County or United States may order repayment of the same. The Agency

shall remit the disallowed amount to the County within thirty (30) days of written notification of the disallowance.

The Agency agrees that funds determined by the County to be surplus upon completion of this MOU will be subject to cancellation by the County.

The Agency agrees that upon expiration of this MOU, the Agency shall transfer to the County any CDBG funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds.

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

The County reserves the right to withhold payments pending timely delivery of program reports or documents as may be required under this MOU.

SECTION 4. PROGRAM INCOME

Use of any program income received by the Agency with CDBG funds under this MOU shall comply with 24 CFR 570.504(c), consistent with the provisions described as follows:

Program Income will be returned to the County Community Development Block Grant (CDBG) Program unless specifically authorized below:

- This project shall not generate any program income.
- This project may generate program income and the Agency is authorized to use program income.
 - Program income will be returned to the County CDBG Program on a monthly basis for deposit in the County's local account.
 - The funds will be considered additional CDBG funds, subject to all conditions applicable to the use of funds described in this MOU and will be included in an Action Plan and appropriated to the Agency through a contract.

Any program income on hand when this MOU is terminated, or received after such termination, shall be reimbursed to the County.

ARTICLE III. FEDERAL CONDITIONS

SECTION 1. BENEFIT TO LOW INCOME PEOPLE

The activity, as described in Article I. Section 1 of this MOU shall meet one of the three CDBG National Objectives as stated in 24 CFR § 570.208. For activities serving individuals or households, not less than 51% of all persons served shall be low- and moderate-income and the individuals or households must qualify under the federal income limits as established by HUD. Benefit to moderate income persons or households cannot be at the exclusion of low-income persons or households. The Agency shall maintain records that clearly document the income range and household size of the individuals or households it serves. Furthermore, the Agency

shall maintain records documenting the race/ethnicity of the individual or household being served and if they are a female head of household.

SECTION 2. UNIFORM ADMINISTRATIVE REQUIREMENTS

- (A) All agencies shall comply with the requirements set forth in 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.
- (B) All agencies are to procure audit services based on 2 CFR Part 200, Subpart F; and
 - (1) The Agency shall maintain its records and accounts so as to facilitate the audit requirement and shall ensure that all contractors (performing all or part of the services under this MOU under a separate contract with the Agency) also maintain auditable records.
 - (2) The Agency is responsible for any audit exceptions incurred by its own organization or that of its contractors.
 - (3) Kitsap County reserves the right to recover from the Agency all disallowed costs resulting from the audit.
 - (4) Responses to any unresolved management findings and disallowed or questioned costs shall be included with the audit report. The Agency must respond to Kitsap County requests for information or corrective action concerning audit issues within thirty (30) days of the date of request.

SECTION 3. SEPARATION OF CHURCH AND STATE

If the Agency is a faith-based organization, it must comply with 24 CFR § 570.200(j) and 24 CFR § 5.109, which specify requirements for participation by faith-based organizations in HUD programs and activities.

SECTION 4. NON-DISCRIMINATION IN EMPLOYMENT AND PURCHASING

The Agency shall comply with Executive Order 11246, as amended by Executive Order 12086 and Executive Order 13672, and the regulations issued pursuant thereto (41 CFR Chapter 60), which provide that no person shall be discriminated against on the basis of race, color, religion, sex, sexual orientation, gender identity, or national origin, in all phases of employment during the performance of Federal or federally assisted construction contracts. The Agency shall take affirmative action to ensure fair treatment in employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay, or other forms of compensation and selection for training and apprenticeship. The Agency shall ensure compliance with 24 CFR § 570.601. **Specifically, the Agency shall ensure that provisions as follows are included in all construction contracts awarded in excess of \$10,000 and monitor compliance:**

- (A) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- (B) The Contractor will send to each labor union or representative of workers with which it had a collective bargaining agreement or other contract or understanding, a notice to be

provided by the Agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

- (C) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting Agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (D) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this MOU or with any of such rules, regulations, or orders, this MOU may be cancelled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (E) The Contractor will include the provisions of Section 202 of Executive Order 11246 of September 24, 1965, as amended in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of executive Order 11246 of September 24, 1965, as amended so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

SECTION 5. LOCAL EMPLOYMENT AND PURCHASING

Funding under this MOU is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u. the Agency agrees to comply with provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR Part 135, and all applicable rules and orders of the Department of Housing and Urban Development issued there under. The Agency agrees that they are under no contractual or other disability which would prevent them from complying with these requirements.

Section 3 of the Housing and Urban Development Act of 1968 requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and agreements for work in connection with the project be awarded to business concerns which are located in or owned in substantial part by persons residing in, the area of the project. Section 3 applies to training, employment, contracting and other economic opportunities arising in connection with the expenditure of housing assistance and community development assistance that is used for the following projects: 1. Housing rehabilitation (including reduction and abatement of lead based paint hazards, but excluding routine maintenance repair and replacement); 2. Housing construction; and 3. Other public construction.

SECTION 6. CONFLICT OF INTEREST

The Agency must comply with the conflict-of-interest requirements set forth in 24 CFR § 570.611 and 2 CFR § 200.112, including but not limited to the specific requirements contained herein. No member, officer, or employee of the Agency, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any function or responsibilities with respect to the program during his tenure or for one year thereafter shall have any interest, direct or indirect, in this MOU or any subagreement hereto or the proceeds thereof. **The Agency shall take appropriate steps to ensure compliance including incorporation of the following provision in every subcontract:**

The contractor covenants that no person who presently exercises any functions or responsibilities in connection with the Kitsap County CDBG Program will obtain a personal or financial interest from the CDBG assisted activity. The contractor further covenants that it presently has no interest in, nor shall it acquire any interest, direct or indirect, either for itself or those with whom it has business, or family, which would conflict in any manner or degree with the performance of his/her services hereunder. The contractor further covenants that in the performance of this MOU any potential conflict, on the part of the contractor or its employees, will be disclosed to the Agency and the County.

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

The Agency shall comply with the requirements relating to displacement, relocation, acquisition and replacement of housing, outlined in 24 CFR § 570.606. The Agency shall take all reasonable steps to minimize displacement of persons (families, individuals, businesses,

non-profit organizations and farms) as a result of activities assisted with CDBG funds. Any action by the Agency which may result in the displacement of persons under 24 CFR § 570.606 must receive prior written approval from the County.

SECTION 8. DAVIS BACON AND RELATED ACTS

The Agency shall comply with the requirements of 24 CFR § 570.603, and the Davis-Bacon and Related Acts (DBRA), 40 U.S.C. 3141 *et. seq.*, when the contract for construction, alteration, and/or repair exceeds \$2,000, or involves the rehabilitation of property with 8 units or more, is federally assisted, and involves the employment of laborers and/or mechanics to perform the work. The Agency shall comply with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by the Department of Labor regulations, 29 CFR Part 3. For any agreement in excess of \$100,000 that involves the employment of mechanics or laborers, the Agency shall also comply with the Contract Work Hours and Safety Standards Act, 40 U.S.C. 3701-3708 and 29 CFR Part 5.

SECTION 9. LEAD BASED PAINT

The Agency shall comply with HUD Lead-Based Regulations (24 CFR Part 35, Subparts A, B, J, K and R), which require elimination, as far as practical, of immediate hazards, due to the presence of paint in residential structures which may contain lead to which children under six years of age may be exposed.

SECTION 10. DISCRIMINATION PROHIBITED

- (A) In performing under this MOU, the Agency may not discriminate on a prohibited basis and must comply with 24 CFR § 570.602 and with 24 CFR Part 6, which sets forth policies and procedures prohibiting discrimination on the basis of race, color, national origin, religion or sex in programs and activities funded with federal financial assistance, 24 CFR Part 8, which sets forth policies and procedures prohibiting discrimination on the basis of disability in programs and activities funded with federal financial assistance, and 24 CFR Part 146, which sets forth policies and procedures prohibiting discrimination on the basis of age in programs and activities funded with federal financial assistance.
- (B) Any authorized Agency subcontract (or other assignment of rights or delegation of duties) must include appropriate and legally binding safeguards against discrimination consistent with the requirements of this section.

SECTION 11. ARCHITECTURAL BARRIERS ACT/AMERICANS WITH DISABILITIES ACT

The Agency shall meet the requirements, where applicable, of the Architectural Barriers Act and the Americans with Disabilities Act, as set forth in 24 CFR § 570.614. A building or facility designed, constructed, or altered with funds allocated or reallocated under the CDBG program after December 11, 1995 and that meets the definition of "residential structure" as defined in 24 CFR Part 40.2 or the definition of "building" as defined in 41 CFR Part 101-19.602(a) is subject to the requirements of the Architectural Barriers Act of 1968 (42 USC 4151-4157) and shall comply with the Uniform Federal Accessibility Standards (Appendix A to 24 CFR Part 40 for residential structures, and Appendix A to 41 CFR Part 101-19, Subpart 101-19.6, for

general type buildings). The Americans with Disabilities Act ("ADA") (42 USC 12131; 47 USC 155, 201, 218 and 255) requires that the design and construction of facilities for first occupancy after January 26, 1993 must include measures to make them readily accessible and usable by individuals with disabilities. The ADA further requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable -- that is, easily accomplishable and able to be carried out without much difficulty or expense.

SECTION 12. FLOOD DISASTER PROTECTION.

The Agency agrees to comply with section 202(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106) and the regulations in 44 CFR Parts 59 through 79.

SECTION 13. REVERSION OF ASSETS.

In accordance with 24 CFR § 570.503(b)(7), upon the expiration of this MOU, Agency agrees to transfer to the County any CDBG funds on hand at the time of expiration and any accounts receivable attributable to CDBG funds. Agency shall also ensure that any real property under Agency's control that was acquired or improved with CDBG funds, including loaned funds, in excess of \$25,000 is either

- (a) used to meet one of the national objectives set forth in 24 CFR § 570.208 until five (5) years after the expiration of this MOU, or such longer time as determined by the County; or
- (b) if not used in accordance with subsection (a) above, Agency agrees to pay the County an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property. Such payment shall be treated as program income by the County. However, no such payment is due after the period of time specified in subsection (a) above.

SECTION 14. DEBARMENT AND SUSPENSION.

The Agency agrees to certify that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency in accordance with Executive Orders 12549 and 12689, 2 CFR Part 2424.

SECTION 15. OTHER PROGRAM REQUIREMENTS

(A) The Agency shall carry out each activity in compliance with all Federal laws and regulations described in Subpart K of 24 CFR Part 570, regardless of whether the law is specifically stated in this MOU, except that:

- (1) The Agency does not assume the County's environmental responsibilities described in 24 CFR § 570.604; and
- (2) The Agency does not assume the County's responsibility for initiating the review process under Executive Order 12372.

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

(C) The Agency agrees to comply with the Byrd Anti-Lobbying Amendment, 31 U.S.C. 1352, where applicable.

(D) If this MOU involves the acquisition or improvement of real property or equipment, the Agency agrees to comply with the provisions of 2 CFR § 200.310 – 200.316.

ARTICLE IV: GENERAL CONDITIONS

SECTION 1. COMPLIANCE WITH LAWS

The Agency, in performance of this MOU, agrees to comply with all applicable Federal, State and Local Laws and ordinances, and the rules and regulations promulgated by the U.S. Department of Housing and Urban Development, including, but not limited to, Federal Community Development Block Grant Regulations and other policies and guidelines established for the Kitsap County CDBG Program by the Kitsap County Board of Commissioners. The Agency agrees to comply with all provisions of the Americans with Disabilities Act and all regulations interpreting or enforcing such act.

In addition, where applicable the following requirements must be met: (1) Compliance with the Copeland "Anti-Kickback" Act for any contract or subcontract in excess of \$2000 for construction or repair (18 U.S.C. 874 and 40 U.S.C. 276c as supplemented by 29 CFR Part 3); (2) Contract Work Hours and Safety Standards Act for any contracts in excess of \$2000 for construction or contracts in excess of \$2500 that involve the employment of mechanics or laborers (40 U.S.C. 327 – 333, as supplemented by 29 CFR Part 5); (3) contracts or agreements for the performance of experimental, developmental, or research work include the rights of the Federal Government and recipient in any resulting invention in accordance with 37 CFR Part 401; (4) for contracts in excess of \$100,000, the Agency must comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 *et seq.*) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 *et seq.*); (5) all agencies must comply with the Drug-Free Workplace Act of 1988 (42 U.S.C. 701); and (6) for construction projects, all agencies must comply with, including subcontractors, the Federal Labor Standards Provisions, as issued by the U.S. Department of Housing and Urban Development.

SECTION 2. LICENSING AND PROGRAM STANDARDS

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

SECTION 3. NOTICES

Any notices required or permitted to be given shall be in writing and delivered to the following parties at the following addresses:

County:

Kitsap County Dept. of Human Services
Block Grant Program
345 6th Street, Suite 400
Bremerton, WA 98337-1869
Email: btufts@co.kitsap.wa.us

Agency:

Kitsap County Dept. of Human Services
Housing and Homelessness Division
345 6th Street, Suite 400
Bremerton, WA 98337-1869
Email: kjewell@co.kitsap.wa.us

SECTION 4. ASSIGNMENT AND SUBCONTRACTING

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

SECTION 5. RESERVATION OF RIGHTS

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

SECTION 6. AMENDMENTS TO MOU

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

SECTION 7. DISPUTE RESOLUTION

The parties will attempt in good faith to resolve any dispute or claim arising out of or in relation to this MOU through negotiations between representatives with authority to settle the relevant dispute. If the dispute cannot be settled amicably within fourteen days from the date on which either party has served written notice on the other of the dispute, then the remaining provisions of this MOU, including remedies for non-compliance and termination shall apply.

SECTION 8. FAILURE TO PERFORM

In the event of a failure by the Agency to comply with any terms or conditions of this MOU or to provide in any manner the activities or other performance as agreed to herein, the County reserves the right to temporarily withhold all or any part of payment pending correction of the deficiency, suspend all or part of this MOU, or prohibit the Agency from incurring additional obligations of funds until the County is satisfied that corrective action has been taken or completed. The option to withhold funds is in addition to, and not in lieu of, the County's right to terminate, as provided in Article IV Section 11 of this MOU. The County may consider performance under this MOU when considering future awards.

SECTION 9. SUSPENSION AND TERMINATION

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

- (A) Termination for Cause – If the Agency fails to comply with the terms and conditions of this MOU, and any of the following conditions exist:
- (1) The lack of compliance with the provisions of this MOU are of such scope and nature that the County deems continuation of this MOU to be substantially non-beneficial to the public interest;
 - (2) The Agency has failed to take satisfactory corrective action as directed by the County or its authorized representative within the time specified by same; or
 - (3) The Agency has failed within the time specified by the County or its authorized representative to satisfactorily substantiate its compliance with the terms and conditions of this MOU;

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

- (B) Termination for Convenience

This MOU may be terminated for convenience, in whole or in part, as follows:

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

- (C) Termination for Withdrawal, Reduction or Limitation of Funding

In the event that funding from the Federal government is withdrawn, reduced, or limited in any way after the effective date of this MOU and prior to its normal completion, the County may summarily terminate this MOU as to the funds reduced or limited, notwithstanding any other termination provision of this MOU. If the level of funding so reduced or limited is so great that Kitsap County deems that the continuation of the program covered by this MOU is no longer in the best interest of the public, the County

may summarily terminate this MOU in whole notwithstanding any other termination provisions of this MOU. Termination under this Section shall be effective upon receipt of written notice by the Agency or its representative.

SECTION 10. CLOSE-OUT

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

- (A) Upon written request by the Agency, the County shall make or arrange for payment to the Agency of allowable reimbursable costs not covered by previous payments;
- (B) The Agency shall submit within thirty (30) days after the date of expiration of this MOU, all financial, performance and other reports required by this MOU, and in addition, will cooperate in a program audit by the County or its designee; and
- (C) Closeout of funds will not occur unless all requirements of 2 CFR Part 200 Subpart D and all outstanding issues with the general contractor and or subcontractor have been resolved to the satisfaction of the County.

SECTION 11. VENUE AND CHOICE OF LAW

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

SECTION 12. SEVERABILITY CLAUSE


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

SECTION 13. INTEGRATED DOCUMENT

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

Dated this 21 day of September, 2022.

AGENCY:
Kitsap County Human Services
Housing and Homelessness Division



Doug Washburn, Director

Dated this 22nd day of Sept, 2022.

KITSAP COUNTY



KAREN GOON, County Administrator

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Article I. Project

1. Scope of Services
2. Project Description
3. Schedule for Completion
4. Term of MOU
5. Program Reporting

Article II. Financial Conditions

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2. Documentation of Costs and Other Financial Reporting
3. Reimbursement
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Article III. Federal Conditions

1. Benefit to Low Income People
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Article IV. General Conditions

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10. Close-Out
11. Venue and Choice of Law

12. Severability Clause
13. Integrated Document

PROJECT COSTS	Total All Funds	County CDBG Funds	State CDBG Funds	Other Funds
PERSONNEL, including managers, staff, salaries, benefits and taxes. AMOUNT	250,000	0.00	0.00	250,000
SUPPLIES/EQUIPMENT, including office supplies, office equipment if approved. AMOUNT	0.00	0.00	0.00	0.00
ADMINISTRATION including occupancy (building & grounds), advertising, audit, insurance/bonds, postage, rent/utilities, communication, training, travel, transportation AMOUNT	100,000	0.00	0.00	100,000
ACQUISITION COSTS AMOUNT	1,501,414.50	0.00	0.00	1,501,414.50
DEVELOPMENT SOFT COSTS including appraisal, design and A&E, processing/settlement and financing, marketing, operating reserve, professional fees and contract services AMOUNT	750,000	409,635	340,365	0
DEVELOPMENT HARD COSTS, including clearance/demolition, construction, rehabilitation and improvements. AMOUNT	6,130,900	283,339	0.00	5,847,561
OTHER COSTS, as approved including:				

AMOUNT				
TOTAL PROJECT COSTS	\$ 8,732,314.50	\$ 692,974	\$340,365	\$ 7,698,975.50



COUNTY OF KITSAP

Unique Entity ID LD6MNJ62JQD1	CAGE / NCAGE 1N3X4	Purpose of Registration All Awards
Registration Status Active Registration	Expiration Date Feb 1, 2023	
Physical Address 614 Division ST Port Orchard, Washington 98366-4614 United States	Mailing Address 614 Division MS-7 Port Orchard, Washington 98366 United States	

Doing Business as (blank)	Division Name (blank)	Division Number (blank)
Congressional District Washington 06	State / Country of Incorporation (blank) / (blank)	URL (blank)

Registration Dates

Activation Date Feb 3, 2022	Submission Date Feb 1, 2022	Initial Registration Date Oct 18, 2001
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Entity Dates

Entity Start Date Jun 1, 1857	Fiscal Year End Close Date Dec 31
---	---

Immediate Owner

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

Highest Level Owner

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

Executive Compensation

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

Proceedings Questions

Registrants in the System for Award Management (SAM) respond to proceedings questions in accordance with FAR 52.209-7, FAR 52.209-9, or 2.C.F.R. 200 Appendix XII. Their responses are not displayed in SAM. They are sent to FAPIIS.gov for display as applicable. Maintaining an active registration in SAM demonstrates the registrant responded to the proceedings questions.

Active Exclusions Records?

No

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

Yes

Business Types

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

Socio-Economic Types

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

Government Types

U.S. Local Government
Municipality
County



Accepts Credit Card Payments
No

Debt Subject To Offset
No

EFT Indicator
0000

CAGE Code
1N3X4



Electronic Business

Ⓡ
Lee Reyes

614 Division ST
Port Orchard, Washington 98366
United States

LEE REYES

614 Division MS-7
Port Orchard, Washington 98366
United States

Government Business

Ⓡ
Lee Reyes

614 Division ST
Port Orchard, Washington 98366
United States

LEE REYES

614 Division MS-7
Port Orchard, Washington 98366
United States



NAICS Codes

Primary
Yes

NAICS Codes
518210

NAICS Title
Data Processing, Hosting, And Related Services



This entity does not appear in the disaster response registry.