

COUNCIL ACTION FORM

SUBJECT: REQUEST TO APPROVE AND SUBMIT SUBRECIPIENT AGREEMENTS FOR PROJECTS FUNDED IN CONJUNCTION WITH CDBG-CV ROUND 2 CARES FUNDING THROUGH THE STATE OF IOWA DEPARTMENT OF ECONOMIC DEVELOPMENT AUTHORITY (IDEA)

BACKGROUND:

As part of the Coronavirus Pandemic (COVID-19) Relief and Recovery funding the U.S. Department of Housing and Urban Development (HUD) stated in May 2020 that the State of Iowa would receive an additional allocation (Round 2) of CDBG-CV funds in the amount of \$9,506,040. Based on a formula using the data from the 2018 American Community Survey (ACS), IDED notified the City of Ames that it would be eligible to receive \$604,386 of these funds. This funding is very similar to the CDBG-CARES funds that the City of Ames received directly from HUD, in that the funds 80% of the funds must be spent by July 2023 and balance must be spent by July 2025.

At its March 8, 2022 meeting, City Council directed staff to proceed with hosting a grant application workshop to request funding proposals from area agencies that provide services such as food distribution, meal delivery for the elderly, and facility-based daycare services. Additionally, staff would prepare an application for potential funding through the CDBG-CV (COVID-19) Round 2 CARES Program administered by the Iowa Economic Development Authority (IEDA) to verify eligibility of the desired services.

Based upon feedback from the outreach and the state, the proposed services would be beneficial to the community and eligible for funding. **At its June 14, 2022 meeting, City Council directed staff to proceed with the submittal of a Round 2 CV-CARES (COVID-19) grant application in the amount of \$604,386 to the Iowa Economic Development Authority (IEDA) on behalf of the following agencies: ChildServe, University Child Care (UCC)-ISU, Ames Community Preschool Center (ACPC), and the Mid-Iowa Community Action Agency (MICA).**

On July 20, 2022, IEDA notified the City that we have been awarded the 2021 Community Development Block Grant (CDBG-CV) funds in full amount of \$604,386. Since that time staff has been working with both the agencies and IEDA to create subrecipient agreements for each agency based on their application requests and the grant budget as outlined below:

IEDA CDBG CARES (COVID-19) Assistance Program-Round 2		
Agency	Activity	Amount of Request
University Child Care (UCC)-ISU	Installation of new HVAC, various outdoor STEM playground equipment, and small renovation of kitchen to install two commercial size kitchen ovens with hoods, countertop and cupboards and freezer.	\$250,932
Ames Community Preschool Center (ACPC)	Renovation of an existing space to create an Infant Program that will include: new flooring, new window, refrigerator, double sinks, cabinetry for storage, painting, creation of a nursing room and purchase of cribs and toys	\$251,000
MICA	Mini cargo van for grocery deliveries	\$60,000
Subtotal-1		\$561,932
Administration		\$42,454
Grand Total		\$604,386

As a note, ChildServe Daycare, was one of the agencies included in the application to the state. However, ChildServe was unable to provide data that 51% of their clients served were at or below the 80% LMI limits as required by IEDA for grant funding, and they were unlikely to meet this threshold requirement. Due to this IEDA standard, they are not included as a subrecipient.

Staff worked with the City’s Legal Department to prepare the subrecipient agreements that mirror the contractual obligations and requirements that IEDA has required of the City of Ames as Exhibit ‘A’ (see Attachment 1). Each subrecipient agreement also includes language that will obligate each agency to continue operation of their services for a minimum of 5-years after the grant close out. Failure to comply will require each agency to repay the City of Ames all grant funds provided in the subrecipient agreement. Each agency will be required to collect monthly data to insure that at least 51% of the clients they serve at 80% or below of the Ames Metropolitan Statistical Income Limits as established by HUD.

Additionally, to insure compliance of state and federal procurement requirements, City staff will be responsible for the administration of each of the activities for each agency.

ALTERNATIVES:

1. City Council can adopt a resolution approving the subrecipient agreements for each of the above qualified agencies (MICA, ACPA, & UCC) and direct staff to proceed the submittal of the agreements and other required documents to the State for funding through the CDBG-CV Round 2 CARES Program administered by IEDA.

2. City Council can adopt a resolution a resolution approving the subrecipient agreements for each of the above qualified agencies (MICA, ACPA, & UCC) and direct staff to proceed the submittal of the agreements and other required documents to the state for funding through the CDBG-CV Round 2 CARES Program administered by IEDA with modifications.
3. City Council can decline to adopt a resolution a resolution approving the subrecipient agreements for each of the above qualified agencies (MICA, ACPA, & UCC) and direct staff to proceed the submittal of the agreements and other required documents to the state for funding through the CDBG-CV Round 2 CARES Program administered by IEDA.

CITY MANAGER'S RECOMMENDED ACTION:

This special allocation of funds is an opportunity to address the unmet daycare and food distribution needs in the community regarding a preventative response to current and future COVID-19 Pandemics. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1.



**CITY OF AMES
AND THE MID-IOWA COMMUNITY ACTION AGENCY CONTRACT FOR
STATE OF IOWA COMMUNITY DEVELOPMENT BLOCK GRANT-COVID-19 PROGRAM**

Subrecipient: Mid-Iowa Community Action Agency (MICA)

Effective Date: August 10, 2022

Award Amount: \$60,000

Purchase End Date: May 23, 2023

THIS COMMUNITY DEVELOPMENT BLOCK GRANT–COVID-19 CONTRACT (“CDBG-CV”) is made by and between the **CITY OF AMES**, 515 Clark Avenue, Ames, Iowa 500010 (“**CITY**” and “**RECIPIENT**”) and **MID IOWA COMMUNITY ACTION AGENCY (MICA)** 230 SE 16th St, Ames, IA 50010 (“**SUBRECIPIENT**”) effective as of the date stated above.

WHEREAS, the City has applied to the **Iowa Economic Development Authority (IEDA)** for a grant of federal funds from the U.S. Department of Housing and Urban Development pursuant to Title I of the Housing and Community Development Act of 1974 and Chapter 23 of the Iowa Administrative Code to use CDBG-CV funds to primarily benefit low to moderate income persons, eliminate slum and blight or meet community development urgent need; and in response to the COVID-19 pandemic.

WHEREAS, the City will partner with the Subrecipient to implement and administer CDBG-CV funds for a Project funded by the second round of the CARES Act which includes the purchase of a Mini Cargo Van. The City will provide funding and procurement services for the purchase of a Mini Cargo Van for the Subrecipient to deliver grocery and other items to clients receiving assistance through the Agency.

WHEREAS, the City will not be funding any engineering, architectural, administration or pre-agreement costs incurred by the Subrecipient.

WHEREAS, the City has relied upon the Subrecipient’s representations of proposed Project activities, management, and financial condition of the Subrecipient, investment of other Project funds and other material information contains therein; and

NOW, THEREFORE, the Subrecipient accepts this grant upon the terms and conditions set forth in this Contract. In consideration of the mutual promises contained in this Contract and other good and valuable consideration, it is agreed as follows:

- a. **Subrecipient.** MICA meets the definition and qualifications of a Subrecipient set forth in paragraph 1.16 of the City’s Program Contract and agrees to accept this Subaward.
- b. **Program Contract.** As a condition of this award of funds, MICA agrees to abide by each and every applicable term of the City’s Program Contract.
- c. **Purpose.** The City shall provide the Subrecipient an award of up to \$60,000 (Grant) funds to be used for the sole purpose of purchasing a Mini-Cargo Van (including, required initial fees, auto tags, and registration) to deliver groceries and other supplies to household who are susceptible to and have been affected by the COVID-19 virus.
- d. **Procurement.** The City shall be responsible for the procurement services necessary to purchase said Mini-Cargo Van.

- e. **Excess Cost.** The Subrecipient shall be responsible for any costs or expenses associated with the purchase of said Mini-Cargo Van that exceed \$60,000, unless, in the sole discretion of the City's Housing Coordinator the City determines that paying any excess cost or expenses is allowable from grant funds held in contingency.
- f. **Allowable Use/Expenditures.** The Subrecipient shall be obligated to continue operate said Mini-Cargo Van for the purpose stated above for a minimum of five years after closeout of this grant and shall not otherwise assign this responsibility to any other entity or person. If the planned use of the property is proposed to be changed, the subrecipient shall notify of City of the proposed change and the City shall notify the Iowa Economic Development Authority for instructions on how to proceed. If the IEDA determines that the proposed use is inconsistent with the use of said funds, the subrecipient shall reimburse the City in the amount of the current fair market value of the property, less any portion of the value attributable to appropriate and allowable expenditures.
- g. **Access.** The Subrecipient shall grant access to its premises and program records as may be required to determine whether the funds have been used in a manner consistent with the terms of the CDBG cares contract. Subrecipient must agree to collect monthly income data from its clients to verify that 51% of the clients served are at or below the 80% Ames Metropolitan Statistical Income limits as established by HUD until project completion.
- h. **Hold Harmless.** The Subrecipient shall hold the Recipient and its officers and employees harmless from any and all claims, losses, damages, or liability whatsoever resulting from and arising out of this contract or the project to which it pertains.
- i. **Unallowable Costs.** If the City determines at any time, whether through monitoring, audit, closeout procedures or by other means or process that the Subrecipient has expended funds which are unallowable, the Subrecipient will be notified of the questioned costs and given an opportunity to justify questioned costs prior to final determination of the disallowance of costs. If it is the City's final determination that costs previously paid by are unallowable under the terms of the Agreement, the expenditures will be disallowed and the Subrecipient shall repay and all disallowed costs.
- j. **Default/Notice of Default/Remedies.** The following shall constitute Events of Default under this Agreement: (i) *Material Misrepresentation.* If at any time any representation, warranty or statement made or furnished to the City by the Subrecipient, or on behalf of in connection with this Agreement or to induce the City to make a grant to the Subrecipient shall be determined by the City to be incorrect, false, misleading or erroneous in any material respect when made or furnished and shall not have been remedied by the Subrecipient to the City's satisfaction within thirty (30) days after written notice is given to the Subrecipient. (ii) *Noncompliance.* If there is a failure by the Subrecipient to comply with any of the covenants, terms or conditions contained in this Agreement. (iii) *Purchase End Date.* If the Project, in the sole judgment of the City, is not completed on or before the Purchase End Date. (iv) *Misspending.* If the Subrecipient expends Grant proceeds for purposes not described in the CDBG application, this Agreement, or as authorized by the City. (v) *Insurance.* If loss, theft, damage, or the destruction of any or a substantial portion of the property occurs for which there is either no insurance coverage or for which, in the opinion of the City, there is insufficient insurance coverage. The City shall issue a written notice of default providing a 15-day period in which the Subrecipient shall have an opportunity to cure, provided that a cure is possible and feasible. If said default remains after the cure period, the City shall have the right, in addition to any rights and remedies available to it to do the following: (1) exercise any remedy provided by law and (2) require immediate repayment of the funds disbursed to the Subrecipient, plus interest.
- k. **Duplication of Benefits.** Duplication of benefits shall be prohibited as provided by the City's Duplication of Benefits policy. The Subrecipient shall provide the City with any and all information requested by the City to ensure that a Duplication of Benefits has not occurred. The parties acknowledge that activities identified in this agreement are funded through the state of Iowa's CDBG-CV funds, allocated through the CARES Act. The parties

acknowledge that prevention of Duplication of Benefits is a requirement per the CARES Act and corresponding HUD Federal Register Notice of Program Rules, Waivers, and Alternative Requirements Under the CARES Act for Community Development Block Grant Program Coronavirus Response Grants, Fiscal Year 2019 and 2020 Community Development Block Grants, and for Other Formula Programs. (FR-6218-N-01). For CDBG activities identified in this agreement, the parties agree to prevent Duplication of Benefits as required by Section 312 of the Stafford Act, as amended by Section 1210 of the Disaster Recovery Act of 2018. The Subrecipient agrees to follow the Duplication of Benefits policies and procedures as provided by the Local Government. The Subrecipient agrees to repay CDBG-CV funds received from the Local Government, if the Local Government determines a Duplication of Benefits has occurred.

- l. **End date.** If the award is not made by May 23, 2023, the City shall have no obligation to make disbursement to the Subrecipient.
- m. **Termination.** (i) FOR CAUSE. The Local Government may terminate the Contract in whole, or in part, whenever the Local Government determines that the Subrecipient has failed to comply with the terms and conditions of the Contract. (ii) FOR CONVENIENCE. The Parties may terminate the Contract in whole, or in part, when all parties agree that the continuation of the Project would not produce beneficial results commensurate with the future disbursement of funds. (iii) DUE TO REDUCTION OR TERMINATION OF CDBG FUNDING. At the discretion of the Local Government, the Contract may be terminated in whole, or in part, if there is a reduction or termination of CDBG Federal block grant funds to the State.
- n. **Procedures Upon Termination.** This contract may be terminated by discretion of the Local Government by providing written notice to be conveyed via certified mail 30 days in advance. Project costs incurred to be paid through the effective termination date.

IN WITNESS WHEREOF, the Parties hereto have executed this Contract effective as of the ____ day of August 2022.

CITY OF AMES

MICA

By: _____
John A. Haila, Mayor

By: _____
Clarissa Thompson, Director

By: _____
Vanessa Baker-Latimer, Housing Coordinator

By: _____
Lisa Heddens, Board Chair

Exhibit ‘A’

Section 1. Miscellaneous. Neither party to this contract shall assign its rights and obligations hereunder without the prior written authorization of the other party. This contract shall be governed by the laws of the State of Iowa. In the event any provision of this contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof. The terms and conditions of this contract may be amended only by written instrument executed by both parties and, when necessary, with the concurrence of the State of Iowa, Iowa Economic Development Authority. Such amendments include any deviation from the recipient program schedule, or other terms and conditions provided for by the Iowa Economic Development Authority contract number which is by this reference incorporated herein and made a part hereof of this Subrecipient agreement.

Section 2. Federal Laws. By virtue of the federal funding provided for under this agreement, the parties hereto shall be bound by and adhere to all applicable federal laws, rules, policies, orders and directions, including by way of specification but not limited to the following: a. The requirements of Executive Order 11246, as amended by Presidential Executive Order 11375 and the regulations issued under the Order at 41 CFR Chapter 60. b. The requirements of Executive Orders 11625, 12432, and 12138. Consistent with responsibilities under these Orders, the provider must make efforts to encourage the use of minority- and womenowned business enterprises in connection with activities funded under this part. c. The maintenance of books, records, documents and other such evidence pertaining to all costs and expenses incurred and revenues received under this contract/subagreement to the extent and in such detail as will properly reflect all costs, direct and indirect, of labor, materials, and equipment, supplies, services, and other costs and expenses of whatever nature, for which payment is claimed under their contract/subagreement as specified in 261- Chapter 23, Iowa Administrative Code and 2 CFR 200 d. At any time during normal business hours and as frequently as deemed necessary, the parties heretofore shall make available to the Iowa Economic Development Authority, the State Auditor, the General Accounting Office, and the Department of Housing and Urban Development, for their examination, all of its records pertaining to all matters covered by this contract/subagreement and permit these agencies to audit, examine, make excerpts or transcripts from such records, contract, invoices, payrolls, personnel records, conditions of employment, and all other matters covered by this contract/subagreement. e. Davis-Bacon Act, as amended (40 U.S.C. 276a - 276a-5), where applicable under Section 110 of the Housing and Community Development Act of 1974, as amended; Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.); the Copeland Anti-Kickback Act (18 U.S.C. 874); and regulations which implement these laws. f. Contracts in excess of \$100,000 shall require compliance with the following laws and regulations: Section 306 of the Clean Air Acts (42 U.S.C. 1857(h)); Section 508 of the Clean Water Act (33 U.S.C. 1368); Executive Order 11738; EPA Regulations - 40 CFR, Part 15; as applicable. g. Procurement. For purposes of this agreement Cities and Counties are required to adopt the federal procurement policies and procedures that align with Federal provisions of 2 CFR 200.318-200.326. The Procurement Policy is found in “Iowa Community Development Block Grant Management Guide”, as found on the Authority’s website at www.iowaeconomicdevelopment.com/Community/CDBG. h. CIVIL RIGHTS (a) DISCRIMINATION IN EMPLOYMENT. The Recipient shall not discriminate against any qualified employee or applicant for employment because of race, color, religion, sex, national origin, age, sexual orientation, gender identity, familial status, physical or mental disability. The Recipient may take affirmative action to ensure that applicants are employed and that employees are treated without regard to their race, color, religion, sex, national origin, age, sexual orientation, familial status, gender identity, or physical or mental disability. Such action shall include, but may not be limited to, the following: employment, upgrading, promotion, demotion or transfers; recruitment or recruitment advertising; lay-off or termination; rates of pay or other forms of compensation; and selection for training, including an apprenticeship. The Recipient agrees to post notices setting forth the provisions of the nondiscrimination clause in conspicuous places so as to be available to employees. Upon the State’s written request, the Recipient shall submit to the State a copy of its affirmative action plan, containing goals and time specifications, and accessibility plans and policies as required under Iowa Administrative Code chapter 11—121. (b) CONSIDERATION FOR EMPLOYMENT. The Recipient shall, in all solicitations or advertisements for employees placed by or on behalf of the Recipient, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, age, sexual orientation, gender identity, physical or mental disability, or familial status. (c) SOLICITATION AND ADVERTISEMENT. The Recipient shall list all suitable employment openings in the State Employment Service local offices. (d) CIVIL RIGHTS COMPLIANCE IN EMPLOYMENT. The Recipient shall comply with all relevant provisions of the Iowa Civil Rights Act of 1965 as amended; Chapter 19B.7 and Chapter 216, Code of Iowa; Federal Executive Order 11246, as amended; Title VI of the U.S. Civil Rights Act of 1964 as amended (42 U.S.C. Section 2000d et seq.); the Fair Labor Standards Act (29 U.S.C. Section 201 et seq.); The Americans with Disabilities Act, as

applicable, (P.L. 101 336, 42 U.S.C. 12101- 12213); Section 504 of the Rehabilitation Act of 1973 as amended (29 U.S.C. Section 794); and the Age Discrimination Act of 1975 as amended (42 U.S.C. Section 6101 et seq.). The Recipient will furnish all information and reports requested by the State of Iowa or required by or pursuant to the rules and regulations thereof and will permit access to payroll and employment records by the State of Iowa to investigate compliance with these rules and regulations. (e) CERTIFICATION REGARDING GOVERNMENT-WIDE RESTRICTION ON LOBBYING. The Recipient certifies, to the best of his or her knowledge and belief, that: (i) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with awarding any Federal contract, making any Federal grant, making any Federal loan, entering into any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. (ii) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Federal Lobbying" in accordance with its instruction. (iii) The Recipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. (iv) This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. (f) PROGRAM NONDISCRIMINATION. The Recipient shall conform with requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and HUD regulations issued pursuant thereto contained in 24 CFR Part 1. No person in the United States shall, on the basis of race, color, national origin, sex or religion or religious affiliation, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available through this Contract. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et. seq.) or with respect to an otherwise qualified individual with a disability as provided in the Americans with Disabilities Act, as applicable, (P.L. 101 336, 42 U.S.C. 12101 12213) or Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794) shall also apply to any such program or Project. (g) FAIR HOUSING. The Recipient shall comply with Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.), generally known as the Fair Housing Act, and with HUD regulations found at 24 CFR Part 107, issued in compliance with Federal Executive Order 11063, as amended by Federal Executive Order 12259. The recipient shall also comply with Section 109, Title I of the Housing and Community Development Act of 1974, as amended. (h) SECTION 3 COMPLIANCE. The Recipient shall comply with provisions for training, employment, and contracting in accordance with 24 CFR part 75, Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u). All section 3 covered contracts shall include the following clause (referred to as the section 3 clause): (i) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing. (ii) The parties to this contract agree to comply with HUD's regulations in 24 CFR part 75, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 75 regulations. (iii) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin. (iv) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 75. (v) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than

those to whom the regulations of 24 CFR part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 75. (vi) Noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts. (vii) With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b). (i) NONCOMPLIANCE WITH THE CIVIL RIGHTS LAWS. In the event of the Recipient's noncompliance with the nondiscrimination clauses of this Contract or with any of the aforesaid rules, regulations, or requests, this Contract may be canceled, terminated, or suspended either wholly or in part. In addition, the State of Iowa may take further action, imposing other sanctions and invoking additional remedies as provided by the Iowa Civil Rights Act of 1965 (Chapter 216, Code of Iowa) or as otherwise provided by law. (j). Others as applicable



**CITY OF AMES
AND UNIVERSITY COMMUNITY CHILDCARE CONTRACT FOR
STATE OF IOWA COMMUNITY DEVELOPMENT BLOCK GRANT-COVID-19 PROGRAM**

Subrecipient: University Community Childcare (UCC)

Effective Date: August 10, 2022

Award Amount: \$250,932

Purchase End Date: May 23, 2023

THIS COMMUNITY DEVELOPMENT BLOCK GRANT–COVID-19 CONTRACT (“CDBG-CV”) is made by and between the **CITY OF AMES**, 515 Clark Avenue, Ames, Iowa 50010 (“**CITY**” and “**RECIPIENT**”) and University Community Childcare-(UCC), Ames, IA 50010 (“**SUBRECIPIENT**”) effective as of the date stated above.

WHEREAS, the City has applied to the **Iowa Economic Development Authority (IEDA)** for a grant of federal funds from the U.S. Department of Housing and Urban Development pursuant to Title I of the Housing and Community Development Act of 1974 and Chapter 23 of the Iowa Administrative Code to use CDBG-CV funds to primarily benefit low to moderate income persons, eliminate slum and blight or meet community development urgent need; and in response to the COVID-19 pandemic.

WHEREAS, the City will partner with the Subrecipient to implement and administer CDBG-CV funds for a Project funded by the second round of the CARES Act , which includes the installation of a new HVC unit, purchase of two commercial ovens with hoods, install of new countertops and cupboards, freezer and Stem Playground equipment and shade structure. The City will provide funding and procurement services for above name items to provide separation of children of various age categories.

WHEREAS, the City will not be funding any engineering, architectural, administration or pre-agreement costs incurred by the Subrecipient.

WHEREAS, the City has relied upon the Subrecipient’s representations of proposed Project activities, management, and financial condition of the Subrecipient, investment of other Project funds and other material information contains therein; and

NOW, THEREFORE, the Subrecipient accepts this grant upon the terms and conditions set forth in this Contract. In consideration of the mutual promises contained in this Contract and other good and valuable consideration, it is agreed as follows:

- a. **Subrecipient.** UCC meets the definition and qualifications of a Subrecipient set forth in paragraph 1.16 of the City’s Program Contract and agrees to accept this Subaward.
- b. **Program Contract.** As a condition of this award of funds, UCC agrees to abide by each and every applicable term of the City’s Program Contract.
- c. **Purpose.** The City shall provide the Subrecipient an award of up to \$250,932 (Grant) funds to be used for the sole purpose of obtaining equipment that promotes healthy distancing and air quality within the daycare to serve families with children that are susceptible to or otherwise have been affected by the COVID-19 virus .

- d. **Procurement.** The City shall be responsible for the procurement services necessary to upgrade HCV unit, commercial ovens, freezer and kitchen cabinetry upgrades and purchase of STEM playground equipment and shade structure.
- e. **Excess Cost.** The Subrecipient shall be responsible for any costs or expenses associated with the procurement of the new HCV unit, commercial ovens, freezer and kitchen cabinetry upgrades and purchase of STEM playground equipment and shade structure that exceed \$250,932 in the aggregate, unless, in the sole discretion of the City's Housing Coordinator the City determines that paying any excess cost or expenses is allowable from grant funds held in contingency.
- f. **Allowable Use/Expenditures.** The Subrecipient shall be obligated to continue operate said daycare center for the purpose stated above for a minimum of five years after closeout of this grant and shall not otherwise assign this responsibility to any other entity or person. If the planned use of the property is proposed to be changed, the subrecipient shall notify of City of the proposed change and the City shall notify the Iowa Economic Development Authority for instructions on how to proceed. If the IEDA determines that the proposed use is inconsistent with the use of said funds, the subrecipient shall reimburse the City in the amount of the current fair market value of the property, less any portion of the value attributable to appropriate and allowable expenditures.
- g. **Access.** The Subrecipient shall grant access to its premises and program records as may be required to determine whether the funds have been used in a manner consistent with the terms of the CDBG cares contract. Subrecipient must agree to collect monthly income data from its clients to verify that 51% of the clients served are at or below the 80% Ames Metropolitan Statistical Income limits as established by HUD until project completion.
- h. **Hold Harmless.** The Subrecipient shall hold the Recipient and its officers and employees harmless from any and all claims, losses, damages, or liability whatsoever resulting from and arising out of this contract or the project to which it pertains.
- i. **Unallowable Costs.** If the City determines at any time, whether through monitoring, audit, closeout procedures or by other means or process that the Subrecipient has expended funds which are unallowable, the Subrecipient will be notified of the questioned costs and given an opportunity to justify questioned costs prior to final determination of the disallowance of costs. If it is the City's final determination that costs previously paid by are unallowable under the terms of the Agreement, the expenditures will be disallowed and the Subrecipient shall repay and all disallowed costs.
- j. **Default/Notice of Default/Remedies.** The following shall constitute Events of Default under this Agreement: (i) *Material Misrepresentation.* If at any time any representation, warranty or statement made or furnished to the City by the Subrecipient, or on behalf of in connection with this Agreement or to induce the City to make a grant to the Subrecipient shall be determined by the City to be incorrect, false, misleading or erroneous in any material respect when made or furnished and shall not have been remedied by the Subrecipient to the City's satisfaction within thirty (30) days after written notice is given to the Subrecipient. (ii) *Noncompliance.* If there is a failure by the Subrecipient to comply with any of the covenants, terms or conditions contained in this Agreement. (iii) *Purchase End Date.* If the Project, in the sole judgment of the City, is not completed on or before the Purchase End Date. (iv) *Misspending.* If the Subrecipient expends Grant proceeds for purposes not described in the CDBG application, this Agreement, or as authorized by the City. (v) *Insurance.* If loss, theft, damage, or the destruction of any or a substantial portion of the property occurs for which there is either no insurance coverage or for which, in the opinion of the City, there is insufficient insurance coverage. The City shall issue a written notice of default providing a 15-day period in which the Subrecipient shall have an opportunity to cure, provided that a cure is possible and feasible. If said default remains after the cure period, the City shall have the right, in addition to any rights and remedies available to it to do the following: (1) exercise any remedy provided by law and (2) require

immediate repayment of the funds disbursed to the Subrecipient, plus interest.

- k. **Duplication of Benefits.** Duplication of benefits shall be prohibited as provided by the City’s Duplication of Benefits policy. The Subrecipient shall provide the City with any and all information requested by the City to ensure that a Duplication of Benefits has not occurred. The parties acknowledge that activities identified in this agreement are funded through the state of Iowa’s CDBG-CV funds, allocated through the CARES Act. The parties acknowledge that prevention of Duplication of Benefits is a requirement per the CARES Act and corresponding HUD Federal Register Notice of Program Rules, Waivers, and Alternative Requirements Under the CARES Act for Community Development Block Grant Program Coronavirus Response Grants, Fiscal Year 2019 and 2020 Community Development Block Grants, and for Other Formula Programs. (FR–6218–N–01). For CDBG activities identified in this agreement, the parties agree to prevent Duplication of Benefits as required by Section 312 of the Stafford Act, as amended by Section 1210 of the Disaster Recovery Act of 2018. The Subrecipient agrees to follow the Duplication of Benefits policies and procedures as provided by the Local Government. The Subrecipient agrees to repay CDBG-CV funds received from the Local Government, if the Local Government determines a Duplication of Benefits has occurred.
- l. **End date.** If the award is not made by May 23, 2023, the City shall have no obligation to make disbursement to the Subrecipient.
- m. **Termination.** (i) FOR CAUSE. The Local Government may terminate the Contract in whole, or in part, whenever the Local Government determines that the Subrecipient has failed to comply with the terms and conditions of the Contract. (ii) FOR CONVENIENCE. The Parties may terminate the Contract in whole, or in part, when all parties agree that the continuation of the Project would not produce beneficial results commensurate with the future disbursement of funds. (iii) DUE TO REDUCTION OR TERMINATION OF CDBG FUNDING. At the discretion of the Local Government, the Contract may be terminated in whole, or in part, if there is a reduction or termination of CDBG Federal block grant funds to the State.
- n. **Procedures Upon Termination.** This contract may be terminated by discretion of the Local Government by providing written notice to be conveyed via certified mail 30 days in advance. Project costs incurred to be paid through the effective termination date.

IN WITNESS WHEREOF, the Parties hereto have executed this Contract effective as of the ____ day of August 2022.

CITY OF AMES

University Community Childcare

By: _____

John A. Haila, Mayor

By: _____

Stacy Lehman, Director

By: _____

Vanessa Baker-Latimer, Housing Coordinator

By: _____

Ellie Fought, Board Chair

Exhibit ‘A’

Section 1. Miscellaneous. Neither party to this contract shall assign its rights and obligations hereunder without the prior written authorization of the other party. This contract shall be governed by the laws of the State of Iowa. In the event any provision of this contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof. The terms and conditions of this contract may be amended only by written instrument executed by both parties and, when necessary, with the concurrence of the State of Iowa, Iowa Economic Development Authority. Such amendments include any deviation from the recipient program schedule, or other terms and conditions provided for by the Iowa Economic Development Authority contract number which is by this reference incorporated herein and made a part hereof of this Subrecipient agreement.

Section 2. Federal Laws. By virtue of the federal funding provided for under this agreement, the parties hereto shall be bound by and adhere to all applicable federal laws, rules, policies, orders, and directions, including by way of specification but not limited to the following: a. The requirements of Executive Order 11246, as amended by Presidential Executive Order 11375 and the regulations issued under the Order at 41 CFR Chapter 60. b. The requirements of Executive Orders 11625, 12432, and 12138. Consistent with responsibilities under these Orders, the provider must make efforts to encourage the use of minority- and womenowned business enterprises in connection with activities funded under this part. c. The maintenance of books, records, documents and other such evidence pertaining to all costs and expenses incurred and revenues received under this contract/subagreement to the extent and in such detail as will properly reflect all costs, direct and indirect, of labor, materials, and equipment, supplies, services, and other costs and expenses of whatever nature, for which payment is claimed under their contract/subagreement as specified in 261- Chapter 23, Iowa Administrative Code and 2 CFR 200 d. At any time during normal business hours and as frequently as deemed necessary, the parties heretofore shall make available to the Iowa Economic Development Authority, the State Auditor, the General Accounting Office, and the Department of Housing and Urban Development, for their examination, all of its records pertaining to all matters covered by this contract/subagreement and permit these agencies to audit, examine, make excerpts or transcripts from such records, contract, invoices, payrolls, personnel records, conditions of employment, and all other matters covered by this contract/subagreement. e. Davis-Bacon Act, as amended (40 U.S.C. 276a - 276a-5), where applicable under Section 110 of the Housing and Community Development Act of 1974, as amended; Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.); the Copeland Anti-Kickback Act (18 U.S.C. 874); and regulations which implement these laws. f. Contracts in excess of \$100,000 shall require compliance with the following laws and regulations: Section 306 of the Clean Air Acts (42 U.S.C. 1857(h)); Section 508 of the Clean Water Act (33 U.S.C. 1368); Executive Order 11738; EPA Regulations - 40 CFR, Part 15; as applicable. g. Procurement. For purposes of this agreement Cities and Counties are required to adopt the federal procurement policies and procedures that align with Federal provisions of 2 CFR 200.318-200.326. The Procurement Policy is found in “Iowa Community Development Block Grant Management Guide”, as found on the Authority’s website at www.iowaeconomicdevelopment.com/Community/CDBG. h. CIVIL RIGHTS (a) DISCRIMINATION IN EMPLOYMENT. The Recipient shall not discriminate against any qualified employee or applicant for employment because of race, color, religion, sex, national origin, age, sexual orientation, gender identity, familial status, physical or mental disability. The Recipient may take affirmative action to ensure that applicants are employed and that employees are treated without regard to their race, color, religion, sex, national origin, age, sexual orientation, familial status, gender identity, or physical or mental disability. Such action shall include, but may not be limited to, the following: employment, upgrading, promotion, demotion, or transfers; recruitment or recruitment advertising; lay-off or termination; rates of pay or other forms of compensation; and selection for training, including an apprenticeship. The Recipient agrees to post notices setting forth the provisions of the nondiscrimination clause in conspicuous places so as to be available to employees. Upon the State’s written request, the Recipient shall submit to the State a copy of its affirmative action plan, containing goals and time specifications, and accessibility plans, and policies as required under Iowa Administrative Code chapter 11—121. (b) CONSIDERATION FOR EMPLOYMENT. The Recipient shall, in all solicitations or advertisements for employees placed by or on behalf of the Recipient, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, age, sexual orientation, gender identity, physical or mental disability, or familial status. (c) SOLICITATION AND ADVERTISEMENT. The Recipient shall list all suitable employment openings in the State Employment Service local offices. (d) CIVIL RIGHTS COMPLIANCE IN EMPLOYMENT. The Recipient shall comply with all relevant provisions of the Iowa Civil Rights Act of 1965 as amended; Chapter 19B.7 and Chapter 216, Code of Iowa; Federal Executive Order 11246, as amended; Title VI of the U.S. Civil Rights Act of 1964 as amended (42 U.S.C. Section 2000d et seq.); the Fair Labor Standards Act (29 U.S.C. Section 201 et seq.); The Americans with Disabilities Act, as

applicable, (P.L. 101 336, 42 U.S.C. 12101- 12213); Section 504 of the Rehabilitation Act of 1973 as amended (29 U.S.C. Section 794); and the Age Discrimination Act of 1975 as amended (42 U.S.C. Section 6101 et seq.). The Recipient will furnish all information and reports requested by the State of Iowa or required by or pursuant to the rules and regulations thereof and will permit access to payroll and employment records by the State of Iowa to investigate compliance with these rules and regulations. (e) CERTIFICATION REGARDING GOVERNMENT-WIDE RESTRICTION ON LOBBYING. The Recipient certifies, to the best of his or her knowledge and belief, that: (i) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with awarding any Federal contract, making any Federal grant, making any Federal loan, entering into any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. (ii) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Federal Lobbying" in accordance with its instruction. (iii) The Recipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. (iv) This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. (f) PROGRAM NONDISCRIMINATION. The Recipient shall conform with requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and HUD regulations issued pursuant thereto contained in 24 CFR Part 1. No person in the United States shall, on the basis of race, color, national origin, sex or religion or religious affiliation, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available through this Contract. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et. seq.) or with respect to an otherwise qualified individual with a disability as provided in the Americans with Disabilities Act, as applicable, (P.L. 101 336, 42 U.S.C. 12101 12213) or Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794) shall also apply to any such program or Project. (g) FAIR HOUSING. The Recipient shall comply with Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.), generally known as the Fair Housing Act, and with HUD regulations found at 24 CFR Part 107, issued in compliance with Federal Executive Order 11063, as amended by Federal Executive Order 12259. The recipient shall also comply with Section 109, Title I of the Housing and Community Development Act of 1974, as amended. (h) SECTION 3 COMPLIANCE. The Recipient shall comply with provisions for training, employment, and contracting in accordance with 24 CFR part 75, Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u). All section 3 covered contracts shall include the following clause (referred to as the section 3 clause): (i) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing. (ii) The parties to this contract agree to comply with HUD's regulations in 24 CFR part 75, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 75 regulations. (iii) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin. (iv) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 75. (v) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than

those to whom the regulations of 24 CFR part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 75. (vi) Noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts. (vii) With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b). (i) NONCOMPLIANCE WITH THE CIVIL RIGHTS LAWS. In the event of the Recipient's noncompliance with the nondiscrimination clauses of this Contract or with any of the aforesaid rules, regulations, or requests, this Contract may be canceled, terminated, or suspended either wholly or in part. In addition, the State of Iowa may take further action, imposing other sanctions and invoking additional remedies as provided by the Iowa Civil Rights Act of 1965 (Chapter 216, Code of Iowa) or as otherwise provided by law. (j). Others as applicable



**CITY OF AMES
AND THE AMES COMMUNITY PRE-SCHOOL CENTER CONTRACT FOR
STATE OF IOWA COMMUNITY DEVELOPMENT BLOCK GRANT-COVID-19 PROGRAM**

Subrecipient: Ames Community Pre-School Center (ACPC)

Effective Date: August 23, 2022

Award Amount: \$251,000

Purchase End Date: May 23, 2023

THIS COMMUNITY DEVELOPMENT BLOCK GRANT–COVID-19 CONTRACT (“CDBG-CV”) is made by and between the **CITY OF AMES**, 515 Clark Avenue, Ames, Iowa 50010 (“**CITY**” and “**RECIPIENT**”) and Ames Community Pre-School Center, Ames, IA 50010 (“**SUBRECIPIENT**”) effective as of the date stated above.

WHEREAS, the City has applied to the **Iowa Economic Development Authority (IEDA)** for a grant of federal funds from the U.S. Department of Housing and Urban Development pursuant to Title I of the Housing and Community Development Act of 1974 and Chapter 23 of the Iowa Administrative Code to use CDBG-CV funds to primarily benefit low to moderate income persons, eliminate slum and blight or meet community development urgent need; and in response to the COVID-19 pandemic.

WHEREAS, the City will partner with the Subrecipient to implement and administer CDBG-CV funds for a Project funded by the second round of the CARES Act, which includes room expansion upgrades such as new flooring, kitchen upgrade for additional sink, refrigerator, nursing room, window, and painting. Along with the purchase of cribs, and storage units. The City will provide funding and procurement services for the purchase for all the above items which will allows the subrecipient to expand its programming for infant care needs of the community.

WHEREAS, the City will not be funding any engineering, architectural, administration or pre-agreement costs incurred by the Subrecipient.

WHEREAS, the City has relied upon the Subrecipient’s representations of proposed Project activities, management, and financial condition of the Subrecipient, investment of other Project funds and other material information contains therein; and

NOW, THEREFORE, the Subrecipient accepts this grant upon the terms and conditions set forth in this Contract. In consideration of the mutual promises contained in this Contract and other good and valuable consideration, it is agreed as follows:

- a. **Subrecipient.** ACPC meets the definition and qualifications of a Subrecipient set forth in paragraph 1.16 of the City’s Program Contract and agrees to accept this Subaward.
- b. **Program Contract.** As a condition of this award of funds, ACPC agrees to abide by each and every applicable term of the City’s Program Contract.
- c. **Purpose.** The City shall provide the Subrecipient an award of up to \$251,000 (Grant) funds to be used for the sole purpose of creating a space to enable appropriate distancing and safe equipment for infants and families susceptible to and have been affected by the COVID-19 virus.

- d. **Procurement.** The City shall be responsible for the procurement services necessary to create said infant daycare space and obtain safe and appropriate equipment in accordance with applicable local and state childcare regulations.
- e. **Excess Cost.** The Subrecipient shall be responsible for any costs or expenses associated with the cost to create the infant day care space that exceed \$251,000, unless, in the sole discretion of the City's Housing Coordinator the City determines that paying any excess cost or expenses is allowable from grant funds held in contingency.
- f. **Allowable Use/Expenditures.** The Subrecipient shall be obligated to continue operate said infant day care for the purpose stated above for a minimum of five years after closeout of this grant and shall not otherwise assign this responsibility to any other entity or person. If the planned use of the property is proposed to be changed, the subrecipient shall notify of City of the proposed change and the City shall notify the Iowa Economic Development Authority for instructions on how to proceed. If the IEDA determines that the proposed use is inconsistent with the use of said funds, the subrecipient shall reimburse the City in the amount of the current fair market value of the property, less any portion of the value attributable to appropriate and allowable expenditures.
- g. **Access.** The Subrecipient shall grant access to its premises and program records as may be required to determine whether the funds have been used in a manner consistent with the terms of the CDBG cares contract. Subrecipient must agree to collect monthly income data from its clients to verify that 51% of the clients served are at or below the 80% Ames Metropolitan Statistical Income limits as established by HUD until project completion.
- h. **Hold Harmless.** The Subrecipient shall hold the Recipient and its officers and employees harmless from any and all claims, losses, damages, or liability whatsoever resulting from and arising out of this contract or the project to which it pertains.
- i. **Unallowable Costs.** If the City determines at any time, whether through monitoring, audit, closeout procedures or by other means or process that the Subrecipient has expended funds which are unallowable, the Subrecipient will be notified of the questioned costs and given an opportunity to justify questioned costs prior to final determination of the disallowance of costs. If it is the City's final determination that costs previously paid by are unallowable under the terms of the Agreement, the expenditures will be disallowed and the Subrecipient shall repay and all disallowed costs.
- j. **Default/Notice of Default/Remedies.** The following shall constitute Events of Default under this Agreement: (i) *Material Misrepresentation.* If at any time any representation, warranty or statement made or furnished to the City by the Subrecipient, or on behalf of in connection with this Agreement or to induce the City to make a grant to the Subrecipient shall be determined by the City to be incorrect, false, misleading or erroneous in any material respect when made or furnished and shall not have been remedied by the Subrecipient to the City's satisfaction within thirty (30) days after written notice is given to the Subrecipient. (ii) *Noncompliance.* If there is a failure by the Subrecipient to comply with any of the covenants, terms or conditions contained in this Agreement. (iii) *Purchase End Date.* If the Project, in the sole judgment of the City, is not completed on or before the Purchase End Date. (iv) *Misspending.* If the Subrecipient expends Grant proceeds for purposes not described in the CDBG application, this Agreement, or as authorized by the City. (v) *Insurance.* If loss, theft, damage, or the destruction of any or a substantial portion of the property occurs for which there is either no insurance coverage or for which, in the opinion of the City, there is insufficient insurance coverage. The City shall issue a written notice of default providing a 15-day period in which the Subrecipient shall have an opportunity to cure, provided that a cure is possible and feasible. If said default remains after the cure period, the City shall have the right, in addition to any rights and remedies available to it to do the following: (1) exercise any remedy provided by law and (2) require immediate repayment of the funds disbursed to the Subrecipient, plus interest.
- k. **Duplication of Benefits.** Duplication of benefits shall be prohibited as provided by the City's Duplication of

Benefits policy. The Subrecipient shall provide the City with any and all information requested by the City to ensure that a Duplication of Benefits has not occurred. The parties acknowledge that activities identified in this agreement are funded through the state of Iowa’s CDBG-CV funds, allocated through the CARES Act. The parties acknowledge that prevention of Duplication of Benefits is a requirement per the CARES Act and corresponding HUD Federal Register Notice of Program Rules, Waivers, and Alternative Requirements Under the CARES Act for Community Development Block Grant Program Coronavirus Response Grants, Fiscal Year 2019 and 2020 Community Development Block Grants, and for Other Formula Programs. (FR-6218-N-01). For CDBG activities identified in this agreement, the parties agree to prevent Duplication of Benefits as required by Section 312 of the Stafford Act, as amended by Section 1210 of the Disaster Recovery Act of 2018. The Subrecipient agrees to follow the Duplication of Benefits policies and procedures as provided by the Local Government. The Subrecipient agrees to repay CDBG-CV funds received from the Local Government, if the Local Government determines a Duplication of Benefits has occurred.

- l. **End date.** If the award is not made by May 23, 2023, the City shall have no obligation to make disbursement to the Subrecipient.
- m. **Termination.** (i) FOR CAUSE. The Local Government may terminate the Contract in whole, or in part, whenever the Local Government determines that the Subrecipient has failed to comply with the terms and conditions of the Contract. (ii) FOR CONVENIENCE. The Parties may terminate the Contract in whole, or in part, when all parties agree that the continuation of the Project would not produce beneficial results commensurate with the future disbursement of funds. (iii) DUE TO REDUCTION OR TERMINATION OF CDBG FUNDING. At the discretion of the Local Government, the Contract may be terminated in whole, or in part, if there is a reduction or termination of CDBG Federal block grant funds to the State.
- n. **Procedures Upon Termination.** This contract may be terminated by discretion of the Local Government by providing written notice to be conveyed via certified mail 30 days in advance. Project costs incurred to be paid through the effective termination date.

IN WITNESS WHEREOF, the Parties hereto have executed this Contract effective as of the ____ day of August 2022.

CITY OF AMES

Ames Community Pre-School Center

By: _____
John A. Haila, Mayor

By: _____
Sue Wuhs, Interim Director

By: _____
Vanessa Baker-Latimer, Housing Coordinator

By: _____
Linda Lind, Board Chair

Exhibit ‘A’

Section 1. Miscellaneous. Neither party to this contract shall assign its rights and obligations hereunder without the prior written authorization of the other party. This contract shall be governed by the laws of the State of Iowa. In the event any provision of this contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof. The terms and conditions of this contract may be amended only by written instrument executed by both parties and, when necessary, with the concurrence of the State of Iowa, Iowa Economic Development Authority. Such amendments include any deviation from the recipient program schedule, or other terms and conditions provided for by the Iowa Economic Development Authority contract number which is by this reference incorporated herein and made a part hereof of this Subrecipient agreement.

Section 2. Federal Laws. By virtue of the federal funding provided for under this agreement, the parties hereto shall be bound by and adhere to all applicable federal laws, rules, policies, orders, and directions, including by way of specification but not limited to the following: a. The requirements of Executive Order 11246, as amended by Presidential Executive Order 11375 and the regulations issued under the Order at 41 CFR Chapter 60. b. The requirements of Executive Orders 11625, 12432, and 12138. Consistent with responsibilities under these Orders, the provider must make efforts to encourage the use of minority- and womenowned business enterprises in connection with activities funded under this part. c. The maintenance of books, records, documents and other such evidence pertaining to all costs and expenses incurred and revenues received under this contract/subagreement to the extent and in such detail as will properly reflect all costs, direct and indirect, of labor, materials, and equipment, supplies, services, and other costs and expenses of whatever nature, for which payment is claimed under their contract/subagreement as specified in 261- Chapter 23, Iowa Administrative Code and 2 CFR 200 d. 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Contracts in excess of \$100,000 shall require compliance with the following laws and regulations: Section 306 of the Clean Air Acts (42 U.S.C. 1857(h)); Section 508 of the Clean Water Act (33 U.S.C. 1368); Executive Order 11738; EPA Regulations - 40 CFR, Part 15; as applicable. g. Procurement. For purposes of this agreement Cities and Counties are required to adopt the federal procurement policies and procedures that align with Federal provisions of 2 CFR 200.318-200.326. The Procurement Policy is found in “Iowa Community Development Block Grant Management Guide”, as found on the Authority’s website at www.iowaeconomicdevelopment.com/Community/CDBG. h. CIVIL RIGHTS (a) DISCRIMINATION IN EMPLOYMENT. The Recipient shall not discriminate against any qualified employee or applicant for employment because of race, color, religion, sex, national origin, age, sexual orientation, gender identity, familial status, physical or mental disability. 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The Recipient certifies, to the best of his or her knowledge and belief, that: (i) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with awarding any Federal contract, making any Federal grant, making any Federal loan, entering into any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. (ii) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Federal Lobbying" in accordance with its instruction. (iii) The Recipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. (iv) This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. (f) PROGRAM NONDISCRIMINATION. The Recipient shall conform with requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and HUD regulations issued pursuant thereto contained in 24 CFR Part 1. No person in the United States shall, on the basis of race, color, national origin, sex or religion or religious affiliation, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available through this Contract. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et. seq.) or with respect to an otherwise qualified individual with a disability as provided in the Americans with Disabilities Act, as applicable, (P.L. 101 336, 42 U.S.C. 12101 12213) or Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794) shall also apply to any such program or Project. (g) FAIR HOUSING. The Recipient shall comply with Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.), generally known as the Fair Housing Act, and with HUD regulations found at 24 CFR Part 107, issued in compliance with Federal Executive Order 11063, as amended by Federal Executive Order 12259. The recipient shall also comply with Section 109, Title I of the Housing and Community Development Act of 1974, as amended. (h) SECTION 3 COMPLIANCE. The Recipient shall comply with provisions for training, employment, and contracting in accordance with 24 CFR part 75, Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u). All section 3 covered contracts shall include the following clause (referred to as the section 3 clause): (i) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing. (ii) The parties to this contract agree to comply with HUD's regulations in 24 CFR part 75, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 75 regulations. (iii) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin. (iv) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 75. (v) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than

those to whom the regulations of 24 CFR part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 75. (vi) Noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts. (vii) With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b). (i) NONCOMPLIANCE WITH THE CIVIL RIGHTS LAWS. In the event of the Recipient's noncompliance with the nondiscrimination clauses of this Contract or with any of the aforesaid rules, regulations, or requests, this Contract may be canceled, terminated, or suspended either wholly or in part. In addition, the State of Iowa may take further action, imposing other sanctions and invoking additional remedies as provided by the Iowa Civil Rights Act of 1965 (Chapter 216, Code of Iowa) or as otherwise provided by law. (j). Others as applicable.