

**CONTRACT FOR SERVICES
BY AND BETWEEN
CITY OF CENTRAL FALLS
AND
PAWTUCKET-CENTRAL FALLS DEVELOPMENT CORPORATION**

THIS AGREEMENT, entered into as of July 28, 2016 by and between the City of Central Falls and **PAWTUCKET-CENTRAL FALLS DEVELOPMENT CORPORATION (PCFD)**

Whereas, the City of Central Falls has entered into a grant agreement with the State of Rhode Island, Division of Planning, Office of Housing and Community Development for the administration of a Community Development program pursuant to Title I of the Housing and Community Act of 1974, P.L. 93-383, as amended; and

Whereas, the City of Central Falls has designated the Office of Planning and Economic Development, hereafter designated as the grantor, as its agent in contracting for Community Development Block Grant funds to be used for eligible services; and

Whereas, PCFD herein designated the grantee has applied for funding of an eligible project as further delineated herein; and

Whereas, it is in the best interest of the City of Central Falls and furtherance of the purpose of the Housing and Community Development Act of 1974, hereafter designated the Act of 1974, to enter into an agreement with the grantee;

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. Scope of Services.

- A. Implement and carry out in a satisfactory and proper manner as determined by the grantor the goals and objectives described in Appendix A, attached hereto and made part hereof.
- B. Comply in all respects with all of the duties, responsibilities, and requirements as imposed in Appendix A.
- C. Cooperate and coordinate with other program activities developed and conducted through the efforts of the grantor.
- D. Submit to the grantor such periodic financial program reports as requested and outlined in Part 7 of this agreement.
- E. Develop, maintain, provide and make accessible to the grantor such other reports and records as may be requested that are necessary to the grantor's functions of planning, coordination, evaluation, and monitoring of Community Development activities.

2. RESTRICTION ON THE USE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS.

- A. All activities funded by Program Funds are subject to the terms and conditions found under Part 577 in the Act of 1974 that pertain to the General Provisions, Allocation and Distribution of Funds. It is the responsibility of the grantee to retain and hand over, when requested by the grantor, documentation demonstrating that the services provided are appropriate and necessary under Part 575 of the Act of 1974.
- B. The grantee must demonstrate that no other source of federal funding is available to support the activities set forth in Appendix A of this Agreement.
- C. Initiation by the grantee of any activities not set forth in Appendix A through the use of the funds provided by this Agreement is prohibited without the written authorization of the grantor.
- D. Project funds will be used for those costs which are applicable to this Agreement. Project funds will not be used to replace non-federal contributions in any federally aided undertaking where an agreement has been entered into with any Federal Agency obligating such non-federal contribution with respect to such undertaking.
- E. No member of or delegate to the Congress of the United States and no Resident Commissioner shall be admitted to any share or part of the Agreement or to any benefit arise from the same.
- F. No member, officer or employee of the grantee, 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 functions or responsibilities with respect to the program during his tenure or for one year thereafter shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under the Agreement.
- G. The assistance provided under this Agreement will not be used in the payment of any bonus or commission for the purpose of obtaining HUD approval of the application for such assistance, of HUD approval of applications for additional assistance, or any other approval or concurrence of HUD required under this Agreement, Title I of the Housing and Community Development act of 1974 of HUD regulations with respect thereto: provided, however, that reasonable fees or bona fide technical, consultant, managerial or other such services other than actual solicitation, are not hereby prohibited if otherwise eligible as program costs.
- H. The grantee agrees to refund to the City of Central Falls Office of Planning and Economic Development any payment or portions of payments which the Office determines were not properly due to the grantee under the terms of this Agreement.

3. TERM OF AGREEMENT

The term of said Agreement shall be from July 7, 2016 and shall terminate on July 7, 2017 unless otherwise further amended by the parties in written form. In the event that the Scope of Services in Appendix A establishes a schedule of work different from the period specified above, the grantee shall abide by such schedule.

4. COMPENSATION AND METHOD OF PAYMENT

- A. The grantor will pay to the grantee not more than the sum of \$73,000. The grantee will not expend more than the amount set forth by the grantor in the budget, except as the grantor may provide in writing. Payment will be made on a reimbursement basis. No payments will be made without support documentation that the funds have been spent.
- B. The grantee will not revise, adjust or modify the budget without prior written approval of the grantor. The grantee further agrees to expend monies in accordance with the lines identified within the categories of direct, supportive, and indirect cost and fringe, and will submit budget revision requests to the grantor prior to expenditures that deviate from line items in the attached budget. The grantee is not required to submit requests in writing or line revisions of non-salary items which do not exceed ten (10) percent of any one (1) item.
- C. Unless specified in writing to the contrary, the grantee must return to the grantor all revenue generated through the provision of services described above. The grantor may substitute this revenue for a similar amount of the Program Funds set aside to carry out this Agreement.
- D. The grantor will receive any unexpended funds in the event of the inability of the grantee to use the full amount as indicated above.
- E. The grantee is expected to make all purchases and payments for services and supplies noted above separate from all other financial transactions not related to this Agreement. Copies of receipts of all purchases shall be attached to the bi-yearly report submitted to the grantor under this Agreement.

5. CONDUCT OF WORK

- A. The grantor may from time to time amend Appendix A to call for other services which the grantee is able to carry out on behalf of the City's Program Activities. The grantee will undertake such changes or substitute services only upon specific written directives from the grantor, and with the mutual Agreement of both parties. Such changes will be incorporated in written amendments to Appendix A of this Agreement.

6. PROCUREMENT STANDARDS

- A. All procurement transactions, regardless of whether negotiated or advertised and without regard to dollar value will comply with Chapter 8, Article II of the City Charter and the General Ordinances of the City of Central Falls incorporated herein by reference and will be conducted so as to provide maximum open and free competition. The grantee will be alert to organizational conflicts of interests of noncompetitive practices which may restrict or eliminate competition or otherwise restrain trade.
- B. In procuring equipment or in making renovations, the grantee must conform to the City of Central Falls' procurement regulations which reflect applicable State Law and municipal ordinances.
- C. The grantee must maintain a code or standard of conduct which governs the performance of its officers, employees, or agents in contracting with and expending Community Development Block Grant Funds. Any real or perceived conflict must be fully disclosed.
- D. All HUD and Federal Labor standards will be followed.

7. REPORTING REQUIREMENTS

- A. The grantee will maintain such records, including but not limited to property, personnel, and financial transactions deemed necessary by the grantor to assure a proper accounting of all funds. Documentation must be maintained to show that 51% of the persons assisted by this agency are low/moderate income or that all persons receiving assistance supported with these funds are low/moderate income. The grantee will retain and secure for a minimum period of three (3) years all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement entered into with the grantor. Records will be retained beyond said three (3) year period if audit findings have not been resolved. The grantor reserves and retains the option to request transfer of certain records to its custody when it determines that said records possess long term retention value.
- B. The grantee upon notification, shall have ten (10) working days to ready all books, documents, papers, reports, records, and files which are pertinent or relevant to this Agreement for the purpose of making or conducting an audit examination. The purpose of the audits are to determine, at minimum, the fiscal integrity of financial actions and reports and the compliance of the grantee with laws, regulations, and administrative requirements.
- C. The grantee will ensure the implementation of systematic methods to assure the timely and appropriate resolution of audit findings and recommendations.
- D. The grantee will submit bi-yearly reports on forms provided by the grantor. The grantor reserves the right to amend said forms during the period covered by this Agreement. The grantee is required to complete said forms by the fifth (5th) day after the end of the month covered by said reports.

- E. The grantor reserves the right to access the non-confidential records of the grantee in accordance with provisions of Rhode Island General Laws and Federal Regulations. Those records classified confidential will be provided only with the informed written consent of the individual involved.

8. POLICY CHANGES

The grantor reserves the right to change policy detailed herein due to policy changes dictated by Federal or State Agencies.

9. INDEMNIFICATION

The grantee will indemnify and hold harmless the City of Central Falls against all suits and claims of liabilities of every nature arising out of or in consequence of the act or omissions of the grantee and its employees in connection with their rendering of services per: this Agreement and will, at its own cost and expense, defend against any and all such suits and actions.

10. FIRE, THEFT, CASUALTY, EXTENDED COVERAGE, AND PERSONAL LIABILITY INSURANCE

The grantee from an after the execution of this Agreement and throughout the remainder of the term of this Agreement and any extension thereof shall procure, carry and pay for fire, theft, casualty, extended coverage and personal liability insurance for the purpose of insuring the property purchased with Federal, State or City funds and for the protection of personnel employed by the grantee. The insurance coverage for the property will be for at least seventy-five percent (75%) of the full value. The personal liability insurance shall be in reasonable amount. Said insurance policies will be issued for the respective interest of the grantor or grantee.

11. SUPERVISION

All services and/or work to be performed by the grantee will be conducted, carried out, and completed subject to the evaluation of the grantor.

12. EQUAL EMPLOYMENT

The grantee will comply with Title 3, Executive Order 11246, as amended, in its hiring practices.

13. SUSPENSION OR TERMINATION

The Office of Planning and Economic Development may suspend or terminate payment in whole or part for cause. Cause will include the following:

- A. Ineffective or improper use of funds.
- B. Failure to comply with either the terms and conditions of this Agreement or of the Community Development Program.
- C. Submittal to the grantor of reports which are incorrect or incomplete in any material respect.

D. If, for any reason, the carrying out of this Agreement is rendered impossible or infeasible.

If the grantor withholds payment, it will advise the grantee and specify, in writing, the actions that must be taken as a condition precedent to the resumption of payments and a reasonable date for compliance. In the case of termination, the grantee will remit any unexpended balance of the payments on account of the Agreement, as well as such other portions of such payments previously received as determined by the grantor. The action of the grantor in accepting any such amount will not constitute a waiver of any claim which the City of Central Falls may otherwise have arising out of this agreement.

14. EMPLOYMENT OPPORTUNITIES

The grantee will comply with the requirements of Title 24, Part 135: Employment Opportunities for Businesses and Lower Income Persons.

15. CONFLICT OF INTEREST

No elected or appointed State or municipal official (officer or member) shall, while serving as such, have any financial interest, direct or indirect, or engage in any business employment transaction or professional activity or incur any obligation of any nature which is in substantial conflict with the proper discharge of his/her duties or employment in the public interest and of his/her responsibilities as prescribed in Title 36, Chapter IV, of the General Laws of Rhode Island. No member of or Delegate to the Congress of the United States of America shall be admitted to any share or part thereof or to any benefit to arise herefrom.

The Contractor shall fully comply with CDBG Conflict of Interest provisions outlined at 24 CFR Part 570.489(h) "Conflict of Interest" and 24 CFR Part 85.36(b)(3) "Code of Conduct".

24 CFR 570.489 - In general, no person (who is an employee, agent, consultant, official or elected/appointed official of the State, unit of general local government or of any designed public agencies or subrecipients which are receiving CDBG funds) who exercise or have exercised any function or responsibilities with respect to CDBG activities assisted under this subpart or who are in a position to participate in a decision making process or gain inside information with regard to such activities may obtain a financial interest or benefit from the activity, or have any interest or benefit from the activity or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or one year thereafter. Any requests for "exception" from this requirement, in accordance with the regulations, must be submitted in writing by the Contractor to the City prior to the obligation of funds. As indicated, this regulation applies to the Contractor as well as subrecipient entities funded.

24 CFR Part 85.36 - In general, the Contractor must maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No

employee, officer or agent of the grantee or subgrantee shall participate in selection, or in the award or administration of a contract support by Federal funds if a conflict of interest, real or apparent, would be involved.

16. SEVERABILITY OF PROVISIONS

If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected thereby, if such remainder would then continue to conform to the terms and requirements of applicable law.

THIS AGREEMENT entered into as of the day and year first written above.

GRANTOR

City of Central Falls
580 Broad Street
Central Falls, R.I. 02863

By:  _____
Chief Executive

Date: 8.16.16

GRANTEE

Pawtucket Central Falls Development Corporation
Organization

By:  _____

**Linda G. Weisinger
Executive Director
Pawtucket Central Falls Development Corporation**

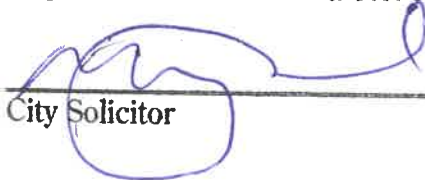
_____ Title

Date: JULY 29, 2016


Reviewed per F.S.A. 8/9/16

**Leonard Morganis
Administration & Finance Officer**

Approved as to form and correctness



City Solicitor

APPENDIX A

A. SCOPE OF SERVICES

To be administered by the Pawtucket-Central Falls Development Corporation:

Closing Cost Assistance Program \$48,000

CDBG funds are awarded to support the City of Central Falls Closing Cost Assistance Program operated by the Pawtucket Central Falls Development Corporation. The program will provide gap financing to homebuyers in Central Falls. The program targets L/M Income Persons earning less than 80% AMI and consists of deferred loans that are forgivable over time.

Special Condition: Activity must be underway with at least one drawdown within year one of contract date.

Eligibility: 105(a)(24) Homeownership Assistance
National Objective: 570.483(b) L/M Income Housing
Performance Objective and Outcome: Provide decent affordable housing-Availability/Accessibility

In addition, Pawtucket-Central Falls Development Corporation will satisfy the following requirements of the City of Central Falls in the execution of this activity:

1. The Contractor shall collaborate with the City in establishing a general application for LMI homeowners and LMI tenants ("Qualified Applicant") in Central Falls to apply to receive funds from this Activity.
2. This application shall be made available in hard copy at City buildings and properties of the Contractor in close proximity to Central falls and in digital form on City and Contractor websites.
3. Contractor shall hold primary responsibility for ensuring all applicants are LMI.
4. All assisted properties must have their units occupied by at least 51% LMI tenants (50% for two-units).
5. Homeowner shall utilize Activity funds as a last resort in financing home purchase.
6. All Activity funds shall be distributed as a forgivable loan to the property by the City's Department of Planning and Economic Development. The loan will be forgiven after the expiration of the loan term, as outlined below, contingent upon continuous occupation by the Qualified Applicant. At the conclusion of the term, the City will confirm continued residence of the Qualified Applicant and discharge the lien.

Under \$15,000	5 years
\$15,000 - \$40,000	10 years
Over \$40,000	15 years

7. In paying for necessary upgrades to common areas of a multi-unit property, Activity funds shall be utilized in no greater proportion than that of the percentage of units occupied by Qualified Applicants.
8. Preference shall be given to current Central Falls residents in the execution of this program.

9. The Contractor shall work with the City to prepare the Environmental Review Record prior to the expenditure of any funds for a property funded through this Activity.
10. The Contractor shall be entitled to 10% of the *total assistance* given in administrative fees, not to exceed 20% of the Activity funding.
11. The Contractor shall receive the approval of the City regarding all publication materials prior to their release.

To be administered by the Pawtucket-Central Falls Development Corporation:

Homeownership Program

\$25,000

CDBG funds are awarded to support the creation of a bilingual homebuyer education course to be provided by Pawtucket-Central Falls Development Corporation to expand on already available but oversubscribed homeownership courses.

Eligibility: 105(a)(20) Public Service Program Support
National Objective: 570.483(b)(2) L/M Income-Limited Clientele
Performance Objective and Outcome: Provide decent affordable housing-Availability/Accessibility

In addition, Pawtucket-Central Falls Development Corporation will satisfy the following requirements of the City of Central Falls in the execution of this activity:

1. The Contractor shall collaborate with the City in establishing a general application for LMI homeowners and LMI tenants ("Qualified Applicant") in Central Falls to apply to receive funds from this Activity.
2. This application shall be made available in hard copy at City buildings and properties of the Contractor in close proximity to Central falls and in digital form on City and Contractor websites.

B. BUDGET

The City of Central Falls Office of Planning and Economic Development will provide **\$73,000** to PAWTUCKET-CENTRAL FALLS DEVELOPMENT CORPORATION to supplement the costs associated with the above stated Closing Cost Assistance Program (\$48,000) and The Homeownership Program (\$25,000).

C. ADDITIONAL INFORMATION

Activities shall be complete and funds fully drawn within one year of contract date.

Request for payments must be on proper form with backup.

No request for payment will be processed if reports are not current.