

# 2012 CDBG APPLICATION

## Application Summary

### APPLICATION SUMMARY - Table Of Contents

**Application submitted by: County of Solano (jurisdiction)**

*\*Click on the box, drop-down menu or text box to enter information.*

APPLICATION FORMS	Required or "Select"	Documentation located on Page(s)
Application Summary	Required	1
Joint Powers Agreement/MOU (if applicable)	N/A	N/A
Section 504 Self Evaluation	YES	16-17
<b>THRESHOLD DOCUMENTATION</b>		
Threshold Requirement Forms	Required	8-10
Debarment Eligibility	Not on Debarment	8, 102-103
Housing Element Compliance as of March 31, 2012 (just prior to application submittal deadline)	In Compliance	N/A
Growth Control Information	No Restricting Ordinance	N/A
Statement of Assurances	Required	11-15
Compliance with OMB Circular A-133	Required	18
Citizen Participation Documentation	Required	9, 104-105
Original Resolution(s) of the Governing Body	Required	107
<b>GRANT ADMINISTRATIVE CAPACITY</b>		
Previous CDBG Grant(s) and History of Clearing Special Conditions	Yes	20
Grant Administration Capacity Documentation	Combination	19
Reporting History	Required	20-21
Audit and/or Monitoring Compliance documentation	Required	22
<b>INDIVIDUAL ACTIVITY</b>		
Micro-enterprise Assistance Program	Required	24-34
Business Financial Assistance Program (Set Aside)	Required	35-44
	Required	

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OTHER (Use for Native American and/or Colonia Activities if applicable)		
	Required	
	Required	
	Required	
<b>NOTE:</b> This Application Table of Contents <b>must</b> be submitted with the completed application package. All items listed <b>must</b> be submitted in the order listed. Enter the page number(s) for each item that is included in the application. <b>Incomplete applications may not meet threshold review requirements. You can add additional rows to any form in the application if you need more space.</b>		

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### APPLICATION SUMMARY - Forms

#### A. Application Information

Jurisdiction Name: County of Solano DUNS #: 068350217

Address: 675 Texas Street, Suite 6500 EIN/TIN #: \_\_\_\_\_

City: Fairfield State: CA Zip Code: 94533-6342

Is this application being submitted on behalf of more than one jurisdiction?

- ☒ **NO**  
☐ **YES** Complete the following. (Please note that the implementation of a Joint Powers Agreement or Memorandum of Understanding between the applicants is required.)

Second Jurisdiction's Name: \_\_\_\_\_

Address: \_\_\_\_\_ JPA or MOU on Page: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

#### B. Authorized Representative Information (per the Resolution)

Name: Birgitta E. Corsello Title: County Administrator

Phone: (707) 784-6100 Ext: \_\_\_\_\_ FAX: (707) 784-7975

E-mail: cao-clerk@solanocounty.com

☒ Check here if address information is the same as above; if not, fill in information below.

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_



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#### C. Jurisdictional Contact Information (must be jurisdiction staff)

☐ Check here if address and contact person is the same as the Authorized Representative information is the same as above; if not, fill in information below.

Name: Stephen Pierce Title: Public Communications Officer

Agency: County of Solano

Address: 675 Texas Street, Suite 6500

City: Fairfield State: CA Zip Code: 94533-6432

Phone: (707) 784-6122 E-mail: slpierce@solanocounty.com FAX: (707) 784-7975

#### D. Legislative Representative Information

	District #	First Name	Last Name
Assembly	<u>8th</u>	<u>Mariko</u>	<u>Yamada</u>
Senate	<u>5th</u>	<u>Lois</u>	<u>Wolk</u>
Congress	<u>10th</u>	<u>John</u>	<u>Garamendi</u>

	District #	First Name	Last Name
Assembly	<u>7th</u>	<u>Michael</u>	<u>Allen</u>
Senate	<u>2nd</u>	<u>Noreen</u>	<u>Evans</u>
Congress	<u>7th</u>	<u>George</u>	<u>Miller</u>

	District #	First Name	Last Name
Assembly	_____	_____	_____
Senate	_____	_____	_____
Congress	_____	_____	_____

	District #	First Name	Last Name
Assembly	_____	_____	_____
Senate	_____	_____	_____
Congress	_____	_____	_____

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#### E. Requested Funding for All Proposed Activities

**Note:** See instructions for funding limitations.

Activity	Amount Requested	Activity Administrator	Target Populations* *use list below for Target ID #s	Result of PTA grant / Phase of previously funded activity?
----------	------------------	------------------------	---	--

#### GENERAL ADMINISTRATION (TOTAL)

(Maximum of 7.5% of total funding requested)	<b>\$ 30,000</b>	<input type="checkbox"/> Applicant Staff <input type="checkbox"/> Other <input checked="" type="checkbox"/> Combination		
--	------------------	---	--	--

#### ACTIVITIES (UP TO 3 TOTAL ALLOWED)

**Activity Name:** Micro-enterprise Assistance Program

Activity Amount	\$ 235,875	<input type="checkbox"/> Applicant Staff <input type="checkbox"/> Other <input checked="" type="checkbox"/> Combination	Target I.D. #: <u>18</u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Grant # _____
Activity Delivery	\$ 41,625		<u>Entrepreneurs</u>	
<b>Activity TOTAL</b>	<b>\$ 277,500</b>		Proposed # of Beneficiaries: <u>60</u>	

**Activity Name:** Business Financial Assistance (set aside)

Activity Amount	\$ 78,625	<input type="checkbox"/> Applicant Staff <input type="checkbox"/> Other <input checked="" type="checkbox"/> Combination	Target I.D. #: <u>18</u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Grant # _____
Activity Delivery	\$ 13,875		<u>Entrepreneurs</u>	
<b>Activity TOTAL</b>	<b>\$ 92,500</b>		Proposed # of Beneficiaries: <u>3</u>	

**Activity Name:** \_\_\_\_\_

Activity Amount	\$	<input type="checkbox"/> Applicant Staff <input type="checkbox"/> Other <input type="checkbox"/> Combination	Target I.D. #:	<input type="checkbox"/> Yes <input type="checkbox"/> No Grant # _____
Activity Delivery	\$ 0		Proposed # of Beneficiaries:	
<b>Activity TOTAL</b>	<b>\$ 0</b>		_____	

**Activity Name:** \_\_\_\_\_

Activity Amount	\$	<input type="checkbox"/> Applicant Staff <input type="checkbox"/> Other <input type="checkbox"/> Combination	Target I.D. #:	<input type="checkbox"/> Yes <input type="checkbox"/> No Grant # _____
Activity Delivery	\$		Proposed # of Beneficiaries:	
<b>Activity TOTAL</b>	<b>\$</b>		_____	

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<b>Activity Name:</b> _____				
Activity Amount	\$ _____	<input type="checkbox"/> Applicant Staff <input type="checkbox"/> Other <input type="checkbox"/> Combination	Target I.D. #: _____	<input type="checkbox"/> Yes <input type="checkbox"/> No Grant # _____
Activity Delivery	\$ _____		Proposed # of Beneficiaries: _____	
<b>Activity TOTAL</b>	<b>\$ _____</b>			
<b>Activity Name:</b> _____				
Activity Amount	\$ _____	<input type="checkbox"/> Applicant Staff <input type="checkbox"/> Other <input type="checkbox"/> Combination	Target I.D. #: _____	<input type="checkbox"/> Yes <input type="checkbox"/> No Grant # _____
Activity Delivery	\$ _____		Proposed # of Beneficiaries: _____	
<b>Activity TOTAL</b>	<b>\$ _____</b>			
<b>Activity Name:</b> _____				
Activity Amount	\$ _____	<input type="checkbox"/> Applicant Staff <input type="checkbox"/> Other <input type="checkbox"/> Combination	Target I.D. #: _____	<input type="checkbox"/> Yes <input type="checkbox"/> No Grant # _____
Activity Delivery	\$ _____		Proposed # of Beneficiaries: _____	
<b>Activity TOTAL</b>	<b>\$ _____</b>			
<b>Activity Name:</b> _____				
Activity Amount	\$ _____	<input type="checkbox"/> Applicant Staff <input type="checkbox"/> Other <input type="checkbox"/> Combination	Target I.D. #: _____	<input type="checkbox"/> Yes <input type="checkbox"/> No Grant # _____
Activity Delivery	\$ _____		Proposed # of Beneficiaries: _____	
<b>Activity TOTAL</b>	<b>\$ _____</b>			

**\$ 400,000**

**◀ TOTAL Funding Requested**  
 (\$2,000,000 Maximum including General Admin.)

In the column **Target Populations** above, enter the **primary** number(s) that correspond to the target population(s) that each activity will specifically address. For example, a homeless shelter will most likely serve many target populations shown, but the **primary** target population will be the homeless.

- |   |  |  |
|---|--|--|
| 1. Physically Disabled<br>2. Persons with AIDS<br>3. Youths<br>4. Single Adults<br>5. Single Men<br>6. Single Women | 7. Families<br>8. Farmworkers<br>9. Seniors<br>10. Mentally Ill<br>11. Veterans<br>12. Substance Abusers | 13. Victims of Domestic Violence<br>14. Dually Diagnosed<br>15. Prevent Homelessness<br>16. Help the Homeless<br>17. Help those with HIV/AIDS<br>18. Other |
|---|--|--|

**See Following Page to List Native American or Colonia Activities**

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#### NATIVE AMERICAN OR COLONIA ACTIVITIES (IN ADDITION TO MAXIMUM 3 ALLOWED ABOVE)

<b>Activity Name:</b> _____				
Activity Amount	\$ _____	<input type="checkbox"/> Applicant Staff <input type="checkbox"/> Other <input type="checkbox"/> Combination	Target I.D. #: _____	<input type="checkbox"/> Yes <input type="checkbox"/> No Grant # _____
Activity Delivery	\$ _____		Proposed # of Beneficiaries: _____	
<b>Activity TOTAL</b>	<b>\$ _____</b>			

<b>Activity Name:</b> _____				
Activity Amount	\$ _____	<input type="checkbox"/> Applicant Staff <input type="checkbox"/> Other <input type="checkbox"/> Combination	Target I.D. #: _____	<input type="checkbox"/> Yes <input type="checkbox"/> No Grant # _____
Activity Delivery	\$ _____		Proposed # of Beneficiaries: _____	
<b>Activity TOTAL</b>	<b>\$ _____</b>			

<b>Activity Name:</b> _____				
Activity Amount	\$ _____	<input type="checkbox"/> Applicant Staff <input type="checkbox"/> Other <input type="checkbox"/> Combination	Target I.D. #: _____	<input type="checkbox"/> Yes <input type="checkbox"/> No Grant # _____
Activity Delivery	\$ _____		Proposed # of Beneficiaries: _____	
<b>Activity TOTAL</b>	<b>\$ _____</b>			

<b>Activity Name:</b> _____				
Activity Amount	\$ _____	<input type="checkbox"/> Applicant Staff <input type="checkbox"/> Other <input type="checkbox"/> Combination	Target I.D. #: _____	<input type="checkbox"/> Yes <input type="checkbox"/> No Grant # _____
Activity Delivery	\$ _____		Proposed # of Beneficiaries: _____	
<b>Activity TOTAL</b>	<b>\$ _____</b>			

\$ \_\_\_\_\_

◀ **TOTAL Native American or Colonia Funding Requested**

In the column **Target Populations** above, enter the **primary** number(s) that correspond to the target population(s) that each activity will specifically address. For example, a homeless shelter will most likely serve many target populations shown, but the **primary** target population will be the homeless.

1. Physically Disabled
2. Persons with AIDS
3. *Youths*
4. Single Adults
5. Single Men
6. Single Women

7. Families
8. Farmworkers
9. Seniors
10. Mentally Ill
11. Veterans
12. Substance Abusers

13. Victims of Domestic Violence
14. Dually Diagnosed
15. Prevent Homelessness
16. Help the Homeless
17. Help those with HIV/AIDS
18. Other

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#### THRESHOLD REQUIREMENTS - Forms

The Department will review each application to determine whether the application meets all of the eligibility threshold criteria. Applications that meet all of the threshold criteria will be eligible to be rated and ranked.

	Yes	No	<i>*Click on the check or text boxes to enter information.</i>
<b>A.</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><b><u>Debarment</u></b></p> <p>Is the applicant jurisdiction on the Federal Excluded Parties List (<a href="http://www.epls.gov">www.epls.gov</a>)?</p> <p style="margin-left: 20px;">➤ If Yes, the applicant is <u>not eligible</u> to receive federal funding.</p> <p style="margin-left: 20px;">➤ No.</p> <p>The applicant has included a copy of the search on page(s): <u>102-103</u></p>
<b>B.</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p><b><u>Housing Element Compliance</u></b></p> <p>Does applicant have a Housing Element in compliance with CDBG requirements as of the application submittal deadline?</p> <p><i>If No, then the applicant is <u>not eligible</u> to receive funding.</i></p> <p>The Department will verify CDBG compliance with HPD as of April 6, 2012.</p>
<b>C.</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><b><u>Growth Control</u></b></p> <p>Has the applicant jurisdiction enacted limitations on residential construction, which includes limitations other than establishing agricultural preserves, or limitations imposed by another agency, or limitations not based on a health and safety need?</p> <p style="margin-left: 20px;">➤ If No, skip to next section.</p>
	<input type="checkbox"/>	<input type="checkbox"/>	<p>If yes, do these limitations meet any of the exceptions found in State CDBG Program Regulations, Section 7056(b)(2)(B)?</p> <p style="margin-left: 20px;">➤ If "Yes" to the exceptions, the applicant has included a copy of the limitation with this application on page(s): _____</p> <p style="margin-left: 20px;">➤ If "No" to the exception, the applicant jurisdiction is <u>not eligible</u> to receive federal funding.</p>
<b>D.</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p><b><u>Statement of Assurances</u></b></p> <p>Applicant has included the correct version (revised 2012) of the Statement of Assurances, signed by the <b><u>chief executive officer</u></b> of the applicant jurisdiction.</p>
<b>E.</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p><b><u>Compliance with OMB Circular A-133</u></b></p> <p>Applicant has included a signed OMB Certification.</p>



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#### THRESHOLD REQUIREMENTS - Forms

	Yes	No	<i>*Click on the check or text boxes to enter information.</i>
<b>F.</b>	<input checked="checked" type="checkbox"/>	<input type="checkbox"/>	<p><b><u>Citizen Participation</u></b></p> <p>Applicant has met all the Public Hearings/Citizen Participation requirements, such as:</p> <ul style="list-style-type: none"> <li>• Public notices published in a local newspaper announcing the public hearings and containing the required information, as stated in the CDBG Grant Management Manual.</li> <li>• At least one public hearing was held during the program design phase of the application.               <ul style="list-style-type: none"> <li>➤ <b>Design Hearing was <u>published/posted</u> on February 15, 2012</b>; and,                   <ul style="list-style-type: none"> <li>○ <b>Documentation is included on page(s): <u>104</u></b></li> </ul> </li> <li>➤ <b>Design Hearing was <u>held</u> on February 27, 2012</b>; and                   <ul style="list-style-type: none"> <li>○ <b>Documentation is included on page(s): <u>105</u></b></li> </ul> </li> </ul> </li> <li>• At least one public hearing was held to approve submittal of the application.               <ul style="list-style-type: none"> <li>➤ <b>Application Submittal Hearing was <u>published/posted</u> on March 13, 2012</b>; and,                   <ul style="list-style-type: none"> <li>○ <b>Documentation is included on page(s): <u>106</u></b></li> </ul> </li> <li>➤ <b>Application Submittal Hearing was <u>held</u> on March 27, 2012</b>; and,                   <ul style="list-style-type: none"> <li>○ <b>Documentation is included on page(s): <u>107</u></b></li> </ul> </li> </ul> </li> <li>• Sign-in sheets and all documentation are in the public information file and available for review and monitoring; <u>and</u>,</li> <li>• Written comments received during the public hearing process are included with the application along with any responses on page(s): <u>109</u></li> </ul>

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### THRESHOLD REQUIREMENTS - Forms

	Yes	No	<i>*Click on the check or text boxes to enter information.</i>
<b>G.</b>	<input checked="checked" type="checkbox"/>	<input type="checkbox"/>	<p><b><u>Resolution(s) of the Governing Body</u></b></p> <p>Applicant has included a Resolution (sample in Appendix I) that:</p> <ul style="list-style-type: none"> <li>Is an original or an original certified copy; <u>and</u></li> <li>Authorizes submission of the application; <u>and</u></li> <li>Approves the application's contents (funding requested, activities, committed leverage, etc.); <u>and</u></li> <li>Authorizes the execution of a grant agreement, and any amendments thereto, if funded; <u>and</u></li> <li>Designates a person (by name and title) authorized to enter into an agreement, if funded; <u>and</u></li> <li>Designates persons (by names and titles) authorized to sign all reports, Funds Requests and other program-supporting documentation.</li> </ul>

After the application due date, the Department will not consider unsolicited information from an applicant. However, the Department may contact an applicant to clarify an item in the application. Applicants should note that the Department will not seek clarification of items or responses that improve the substantive quality of the applicant's response to any eligibility or selection criterion.

I certify on behalf of County of Solano (name of entity) that the Threshold information provided is true and accurate.

Authorized Representative (per the Resolution):

Birgitta E. Corsello  
(Printed/Typed Name)

County Administrator  
(Title)

\_\_\_\_\_  
(Signature)

**(blue ink)**

\_\_\_\_\_  
(Date signed)

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**STATEMENT OF ASSURANCES (2012) - Forms**

*By checking the boxes, the certifier assures the statements are true.*

**The City/County of Solano hereby assures and certifies that:**

- ☒ 1. Legal Authority - It possesses legal authority to apply for the grant and to execute the proposed program.
- ☒ 2. Application Authorization - Its governing body has duly adopted or passed as an official act or resolution, motion, or similar action authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the applicant's chief executive officer or other designee to act in connection with the application and to provide such additional information as may be required.
- ☒ 3. Citizen Participation - It has or will comply with all citizen participation requirements, which include, at a minimum, the following components:
- A. Provides for and encourages citizen participation, with particular emphasis on participation by persons of low and moderate income who are residents of slum and blight areas and of areas in which CDBG funds are proposed to be used, and provides for participation of residents in low- and moderate-income neighborhoods as defined by the local jurisdiction; and,
  - B. Provides citizens with reasonable and timely access to local meetings, information, and records relating to the grantee's proposed use of funds, as required by CDBG regulations, and relating to the actual use of funds under this title; and,
  - C. Provides for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals with the level and type of assistance to be determined by the grantee; and,
  - D. Provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program. These include at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries and with accommodation for the handicapped. This shall include one public meeting during the program design, annual performance report preparation, and formal amendments. A public hearing shall be conducted prior to application submittal; and,

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#### STATEMENT OF ASSURANCES (2012) - Forms

- E. Solicits and provides for a timely written answer to written complaints and grievances, within 15 working days where practicable; and,
- F. Identifies how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can reasonably be expected to participate.

☒ 4. National Objective - The CDBG Program has been developed so as to primarily benefit targeted income persons and households, and each activity in the program meets one of the three national objectives: benefit to low- and moderate-income persons, elimination of slums and blight, or meets an urgent community need certified by the grantee as such.

☒ 5. NEPA Environmental Review - Consents to assume the responsibilities for environmental review and decision-making in order to ensure compliance with NEPA by following the procedures for recipients of block grant funds as set forth in 24 CFR, Part 58, titled "Environmental Review Procedures for Title I Community Development Block Grant Programs." Also included in this requirement is compliance with Executive Order 11988 relating to the evaluation of flood hazards, and Section 102(a) of the Flood Disaster Protection Act of 1973 (Public Law 93-234) regarding purchase of flood insurance, and the National Historic Preservation Act of 1966 (16 USC 470) and implementing regulations (36 CFR 800.8).

☒ 6. CEQA - Consents to assume the role of either Lead Agency as defined by Section 21067 of the California Public Resources Code, or if another public agency is or will be designated Lead Agency, it consents to assume the role of Responsible Agency as defined by Section 21069 of the California Public Resources Code, in order to ensure compliance with CEQA.

☒ 7. Audit/Performance Findings - Has resolved any audit findings or performance problems for prior CDBG grants awarded by the State.

☒ 8. Growth Control - Certifies that there is no plan, ordinance, or other measure in effect which directly limits, by number, the building permits that may be issued for residential construction or the buildable lots which may be developed for residential purposes; or if such a plan, ordinance, or measure is in effect, it will either be rescinded before receiving funds, or it need not be rescinded because it:

- A. Imposes a moratorium on residential construction, to protect the health and safety, for a specified period of time which will end when the public health and safety is no longer jeopardized; or,
- B. Creates agricultural preserves under Chapter 7 (commencing with Section 51200) of Part 2 of Division 1 of Title 5 of the Government Code; or,

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**STATEMENT OF ASSURANCES (2012) - Forms**

- C. Was adopted pursuant to a specific requirement of a State or multi-State board, agency, department, or commission; or,
- D. The applicant has an adopted housing element which the Department has found to be in compliance, unless a final order has been used by a court in which the court determined that it is not in compliance with Article 10.6 of Chapter 3 of Division 1 of Title 7 of the Government Code; or,
- E. The use of the funds applied for in this application is restricted for housing for the targeted income group.

☒ 9. Uniform Administrative Requirements - Will comply with the regulations, policies, guidelines, and requirements of OMB Circular Numbers A-87, A-133, A-122, and 24 CFR Part 85, where appropriate, and the State CDBG regulations.

☒ 10. Nondiscrimination - Shall comply with the following regarding nondiscrimination:

- A. Title VI of the Civil Rights Act of 1964 (Public Law 88-352).
- B. Title VIII of the Civil Rights Act of 1968 (Public Law 90-284) as amended; and will administer all programs and activities related to housing and community development in a manner affirmatively furthering fair housing.
- C. Section 109 of the Housing and Community Development Act of 1974, as amended.
- D. Section 3 of the Housing and Urban Development Act of 1968, as amended.
- E. Executive Order 11246, as amended by Executive Orders 11375 and 12086.
- F. Executive Order 11063, as amended by Executive Order 12259.
- G. Section 504 of the Rehabilitation Act of 1973 (Public Law 93-112), as amended, and implementing regulations.
- H. The Age Discrimination Act of 1975 (Public Law 94-135).
- I. The prospective contractor's signature affixed hereon and dated shall constitute a certification under the penalty of perjury under the laws of the State of California that the bidder has, unless exempted, complied with the nondiscrimination program requirements of Government Code Section 12990 and Title 2, California Code of Regulations, Section 8103.

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#### STATEMENT OF ASSURANCES (2012) - Forms

- ☒ 11. Anti-Displacement/Relocation - Will comply with the Federal Relocation Act (42 U.S.C. 4601 et seq.) and certifies that it will follow the state's residential anti-displacement and relocation plan located in Appendix E of the State's 2011-2012 Annual Plan. The Plan can be found at: [Annual Plan Update 2011-2012](#)
- ☒ 12. Labor Standards - Will comply with the following regarding labor standards:
- A. Section 110 of the Housing and Community Development Act of 1974, as amended.
  - B. Section 1720 et seq. of the California Labor Code regarding public works labor standards.
  - C. Davis-Bacon Act as amended (40 USC. 276a) regarding prevailing wage rates.
  - D. Contract Work Hours and Safety Standards Act (40 USC 3702) regarding overtime compensation.
  - E. Anti-Kickback Act of 1934 (41 USC 51-58) prohibiting "kickbacks" of wages in federally assisted construction activities.
- ☒ 13. Architectural Barriers - Will comply with the Architectural Barriers Act of 1968 (42 USC 4151-4157) and implementing regulations (24 CFR Part 40-41).
- ☒ 14. Conflict of Interest - Will enforce standards for conflicts of interest which govern the performance of their officers, employees, or agents engaged in the award and administration, in whole or in part, of State CDBG grant funds (Section 7126 of the State regulations).
- ☒ 15. Limitations on Political Activities - Will comply with the Hatch Act (5 USC 1501 et seq.) regarding political activity of employees.
- ☒ 16. Lead-Base Paint - Will comply with the Lead-Based Paint Regulations (24 CFR Part 35) which prohibits the use of lead-based paint on projects funded by the program.
- ☒ 17. Debarred Contractors - The applicant or its staff are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in federal assistance programs, in any proposal submitted in connection with the CDBG program, per the Excluded Party List System ([www.epls.gov](http://www.epls.gov)). In addition, the applicant will not award contracts to or otherwise engage the services of any contractor while that contractor (or its principals) is

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debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation from the covered transaction, in any proposal submitted in connection with the CDBG program under the provisions of 24 CFR part 24.

- ☒ 18. Inspection of Grant Activities - Will give HUD, the Comptroller General, the State Department of Housing and Community Development, or any of their authorized representatives access to and the right to examine all records, books, papers, or documents related to the grant.
- ☒ 19. Cost Recovery - Will not attempt to recover any capital costs of public improvements assisted in whole or in part with CDBG funds by assessing properties owned and occupied by targeted income persons unless:
- A. CDBG funds are used to pay the proportion of such assessment that relates to non-CDBG funding; or,
  - B. For the purposes of assessing properties owned and occupied by targeted income persons who are not of the lowest targeted income group, it does not have sufficient CDBG funds to comply with the provisions of "a" above.
- ☒ 20. Procurement - Will follow the federal procurement policies per 24 CFR Sec. 85.36
- ☒ 21. Excessive Force - Will adopt and enforce policies:
- A. Prohibiting the use of excessive force by its law enforcement agencies against individuals engaged in non-violent civil rights demonstrations; and,
  - B. Enforcing applicable State and local law against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstration within its jurisdiction.
- ☒ 22. Compliance with Laws - The jurisdiction will comply with applicable laws.

***The Certification is made under penalty of perjury under the laws of the State of California.***

NAME OF CERTIFYING OFFICIAL:

Birgitta E. Corsello (*print/type*)

CHIEF ADMINISTRATIVE EXECUTIVE:

County Administrator (*enter exact title of person signing*)

Signature (**blue** ink)

Date certified

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## SECTION 504 SELF-EVALUATION

### Section 504 Self-Evaluation:

HUD requires jurisdictions to have documented their compliance with Section 504.

Applicants must attach a **Section 504 Self-Certification Form** with their Application Package. It is important to note that the form itself does not constitute the jurisdiction's efforts to meet Section 504 requirements. The jurisdiction should have performed an analysis and evaluation of each factor and prepared a Section 504 Plan.

The following self-certification form should be used with this application to certify that the jurisdiction has performed this analysis and evaluation and to record areas of compliance or problems. Please complete this form, sign and date it, and include it as part of this application.

>>See the **CDBG Grant Management Manual Chapter 4** for additional information<<



# 2012 NOFA APPLICATION

## Application Summary

### SECTION 504 SELF-EVALUATION

#### SECTION 504 SELF-EVALUATION

Applicant: County of Solano

AREAS DISCUSSED	PROBLEMS	MODIFICATIONS MADE
<u>COMMUNICATIONS: (Program Publicity)</u> Public Notices and ads in newspaper? <input checked="" type="radio"/> yes / no Public Service Announcements? <input checked="" type="radio"/> yes / <input checked="" type="radio"/> no Posters or fliers? <input checked="" type="radio"/> yes / no Letters to homeowners in area? <input checked="" type="radio"/> yes / <input checked="" type="radio"/> no Informational public meetings? <input checked="" type="radio"/> yes / no Interpreters, readers, or TDD's available upon request? <input checked="" type="radio"/> yes / no Equal Opportunity statement in ads, fliers, letters? <input checked="" type="radio"/> yes / no		
<u>EMPLOYMENT:</u> Does the City make reasonable accommodation to known physical or mental limitations of qualified applicants or employees with handicaps? <input checked="" type="radio"/> yes / no Pre-employment inquiries and tests do not screen out handicapped persons? <input checked="" type="radio"/> yes / no		
<u>PROGRAM ACCESSIBILITY:</u> Are City/County facilities accessible to and usable by individuals with handicaps (for example: ramps, space at meetings)? <input checked="" type="radio"/> yes / no Handicap modifications offered in rehabilitation program? <input checked="" type="radio"/> yes / no Handicapped individuals with limited mobility assisted with applications at their homes? <input checked="" type="radio"/> yes / no		
<u>ENFORCEMENT - Evaluate how policies meet 504 requirements:</u> Statement of Assurances in grant applications? <input checked="" type="radio"/> yes / no Non-discrimination clause in deed of trust? <input checked="" type="radio"/> yes / no Names of Advisors on Handicapped issues: <u>Jose Penaloza</u> City/County has procedures for complaints? <input checked="" type="radio"/> yes / no Is log maintained of any complaints? <input checked="" type="radio"/> yes / no		

Name of Section 504 Coordinator: Stephen Pierce

Signature: \_\_\_\_\_

Date Signed: \_\_\_\_\_

## 2012 NOFA APPLICATION

### *Application Summary*

#### OMB CIRCULAR A-133 - Forms

Office of Management and Budget (OMB) Circular A-133 is used pursuant to the Single Audit Act of 1984, P.L. 98-502, and the Single Audit Act Amendments of 1996, P.L. 104-156. It sets forth the standards for obtaining consistency and uniformity among Federal agencies for the audit of states, local governments, and non-profit organizations expending Federal awards. Cities and counties not exempted from the requirements of OMB Circular A-133 must submit their audits to the State Controller. Non-profit organizations not exempted must submit their audits to the California Department of Housing and Community Development.

Pursuant to the requirements of OMB Circular A-133, please check the appropriate statement and certify at the bottom of the page:



The County of Solano (name of entity) has expended more than \$500,000 in Federal funds in fiscal year 2010/2011 and is required to conduct a single audit or program specific audit for this year in accordance with the provisions of OMB Circular A-133:



The audit has been completed and has been submitted to the appropriate control agency. (**Proof of submittal must be submitted** with this form and the application. Failure to do so may result in denial of CDBG funding.)



The \_\_\_\_\_ (name of entity) has expended less than \$500,000 in federal funds in fiscal year 2010/2011 and is exempt from the requirements of OMB Circular A-133. Non-Federal entities that expend less than \$500,000 a year in Federal awards are exempt from Federal audit requirements for that year, but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and the General Accounting Office. (**Submit proof of this statement**, such as evidence of sending the exemption letter to SCO, with this form and the application)

I certify on behalf of County of Solano (name of entity) that the above is a true and accurate statement.

Birgitta E. Corsello

(Printed/Typed Name of Authorized Representative)

County Administrator

(Title)

\_\_\_\_\_  
(Signature) (blue ink)

\_\_\_\_\_  
(Date signed)

**2012 NOFA APPLICATION**  
***Application Summary***

**GRANT ADMINISTRATIVE CAPACITY - Forms**

**Questions A through E in the following “Capacity and Past Performance” section must be filled in on all applications as part of the Rating & Ranking process. Up to 200 points will be awarded under this section. All applicants must answer the questions and include supporting documentation.**

A. Did the applicant have any CDBG Economic Development, Community Development (formerly known as General), Native American, or Colonia grant experience for the years 2009 or 2010? **(Do not include PTA grants)**

☒ **Yes.** Identify which CDBG Allocation(s) and the applicable funding year(s).

☐ **Community Development** Allocation.

Funding Year(s): \_\_\_\_\_

Grant #'s: \_\_\_\_\_

☒ **Economic Development** Allocation.

Funding Year(s): 2008-2009

Grant #'s: 08-EDEF-5892

☐ **Colonias** Allocation.

Funding Year(s): \_\_\_\_\_ Grant #'s: \_\_\_\_\_

☐ **Native American** Allocation.

Funding Year(s): \_\_\_\_\_ Grant #'s: \_\_\_\_\_

☐ **No.** Have not had any CDBG grants in 2006-2009.

B. If funded from this application, how will this grant be administered? Who will carry out the grant's General Administrative activities?

☐ In-House Staff Only: (Attach **resumes** and **duty statements** of staff that will be performing the work, **and a “Responsibility Chart”** (much like an Organization Chart) showing internal controls, management oversight, and which staff will be working on CDBG activities and describing their specific CDBG responsibilities.)

☐ Supporting documentation on page(s): \_\_\_\_\_

☐ Subrecipient Agreement:

☐ Draft ☐ Executed. Term of the Agreement: \_\_\_\_\_

☐ Other: \_\_\_\_\_

☐ Supporting documentation on page(s): \_\_\_\_\_

## 2012 NOFA APPLICATION

### Application Summary

#### GRANT ADMINISTRATIVE CAPACITY - Forms

- ☐ Procured Administrator(s) per 24 CFR 85.36 and the GMM Chapter 8:
- ☐ Per Small Purchase Authority
  - ☐ By Competitive Proposal
  - ☐ By Non-Competitive/Sole-Source
    - Department approval documentation, pages: \_\_\_\_\_
  - ☐ Term of the Agreement: \_\_\_\_\_
  - ☐ Supporting documentation on page(s): \_\_\_\_\_
- ☒ Some Combination of the Above: Describe: The Solano College Small Business Development Center will be a subrecipient on the grant and provide support in preparing reports required by the grant.
- ☒ Supporting documentation on page(s): 66-83

- C. Fill in the chart below to indicate past performance of Grant Reporting. In order to receive full points, the reports and close-out documentation listed in the chart below, if applicable to your jurisdiction's grants within the last two years, must be received by the Department by the application deadline in order to check "No Reports Missing." Include supporting documentation to verify compliance.

Grant Reporting	
2009-10 Grants	2010-11 Grants
<b>Annual Financial and Accomplishment Report (FAR):</b> <input checked="" type="checkbox"/> No reports missing <input type="checkbox"/> Missing report <input type="checkbox"/> N/A	<b>Annual Financial and Accomplishment Report (FAR):</b> <input checked="" type="checkbox"/> No reports missing <input type="checkbox"/> Missing report <input type="checkbox"/> N/A
<b>Annual Grantee Performance Report (GPR):</b> <input checked="" type="checkbox"/> No missing reports <input type="checkbox"/> Missing any reports <input type="checkbox"/> N/A	<b>Annual Grantee Performance Report (GPR):</b> <input checked="" type="checkbox"/> No missing reports <input type="checkbox"/> Missing any reports <input type="checkbox"/> N/A
<b>Semi-Annual and Annual Program Income Reports:</b> <input checked="" type="checkbox"/> 100% submitted <input type="checkbox"/> Missing any reports <input type="checkbox"/> N/A	<b>Semi-Annual and Annual Program Income Reports:</b> <input checked="" type="checkbox"/> 100% submitted <input type="checkbox"/> Missing any reports <input type="checkbox"/> N/A
<b>Semi-annual and Annual Economic Development Progress Report:</b> <input checked="" type="checkbox"/> No reports missing <input type="checkbox"/> Missing any reports	<b>Semi-annual and Annual Economic Development Progress Report:</b> <input checked="" type="checkbox"/> No reports missing <input type="checkbox"/> Missing any reports

## 2012 NOFA APPLICATION

### Application Summary

#### GRANT ADMINISTRATIVE CAPACITY - Forms

<input type="checkbox"/> N/A	<input type="checkbox"/> N/A
<b>Semi-annual and Annual Wage Compliance Reports:</b> <input type="checkbox"/> 100% submitted <input type="checkbox"/> Missing any reports <input checked="" type="checkbox"/> N/A	<b>Semi-annual and Annual Wage Compliance Reports:</b> <input type="checkbox"/> 100% submitted <input type="checkbox"/> Missing any reports <input checked="" type="checkbox"/> N/A
<b>Grant Close-out Documentation:</b> <input checked="" type="checkbox"/> No missing reports <input type="checkbox"/> Missing any reports <input type="checkbox"/> N/A	<b>Grant Close-out Documentation:</b> <input checked="" type="checkbox"/> No missing reports <input type="checkbox"/> Missing any reports <input type="checkbox"/> N/A
<b>Section 3 Report:</b> <input type="checkbox"/> No missing reports <input type="checkbox"/> Missing any reports <input checked="" type="checkbox"/> N/A	<b>Section 3 Report:</b> <input type="checkbox"/> No missing reports <input type="checkbox"/> Missing any reports <input checked="" type="checkbox"/> N/A

- D. Fill in the chart below to indicate past performance of Clearing Special Conditions. In order to receive full points on the second chart, Special Conditions must have been cleared within 90 days, regardless of receiving an extension from the Department.

Timely Clearance of Special Conditions	
<b>For Grant # <u>08-EDEF-5892</u></b> <input type="checkbox"/> All Special Conditions cleared <i>within 90 days.</i> <input checked="" type="checkbox"/> If more than 90 days	<b>For Grant # _____</b> <input type="checkbox"/> All Special Conditions cleared <i>within 90 days.</i> <input type="checkbox"/> If more than 90 days
<b>For Grant # _____</b> <input type="checkbox"/> All Special Conditions cleared <i>within 90 days.</i> <input type="checkbox"/> If more than 90 days	<b>For Grant # _____</b> <input type="checkbox"/> All Special Conditions cleared <i>within 90 days.</i> <input type="checkbox"/> If more than 90 days

## 2012 NOFA APPLICATION

### Application Summary

#### GRANT ADMINISTRATIVE CAPACITY - Forms

- E. In the Audit and Monitoring Chart below, fill in the grant number of any CDBG monitoring visit, regardless of whether or not there were any Monitoring Findings. Include the grant number and the date of the Monitoring Visit. Also fill in any year (within the last two fiscal years) in which your jurisdiction had a Single Audit Report (SAR), as required by OMB A-133, with one or more Findings that related to CDBG.

<b>Compliance in Clearing of Monitoring and Audit Findings</b>	
<b>Monitorings</b>	<b>Audit Findings Regarding CDBG</b>
<b>For Grant # <u>08-EDEF-5892</u></b> <b>Date of Monitoring Visit: _____</b> <input checked="" type="checkbox"/> Jurisdiction responded to Monitoring Report within prescribed timeline <input type="checkbox"/> Responded in more than prescribed timeline but with Department Approval <input type="checkbox"/> Responded in more than prescribed timeline without Department Approval	<b>For Year 2009-2010</b> <input type="checkbox"/> Single Audit Report included one or more CDBG-related Findings <input type="checkbox"/> Jurisdiction responded to Audit Finding Report within prescribed timeline <input type="checkbox"/> Responded in more than prescribed timeline but with Department Approval <input type="checkbox"/> Responded in more than prescribed timeline without Department Approval
<b>For Grant # _____</b> <b>Date of Monitoring Visit: _____</b> <input type="checkbox"/> Jurisdiction responded to Monitoring Report within prescribed timeline <input type="checkbox"/> Responded in more than prescribed timeline but with Department Approval <input type="checkbox"/> Responded in more than prescribed timeline without Department Approval	<b>For Year 2010-2011</b> <input type="checkbox"/> Single Audit Report included one or more CDBG-related Findings <input type="checkbox"/> Jurisdiction responded to Audit Finding Report within prescribed timeline <input type="checkbox"/> Responded in more than prescribed timeline but with Department Approval <input type="checkbox"/> Responded in more than prescribed timeline without Department Approval

**2012 NOFA APPLICATION**  
**Application Summary**

**ALL ACTIVITIES - ALL FUNDING SOURCES**

USES	SOURCES						
<b>ACTIVITY</b> (Separate Activity Delivery and General Admin)	State and Federal				Other Funding Sources		
	State CDBG Funds	Program Income Available: \$3,859 (Total uncommitted RLA funds available) Program Income Committed:	Other State Funds	Federal Funds	Local Funds	Private	Totals:
<u>General Administration</u>	\$ 30,000	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 30,000
<u>Micro-Enterprise Assistance</u>	\$ 235,875	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 235,875
<u>Micro-Enterprise Assistance AD</u>	\$ 41,625	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 41,625
<u>Business Financial Assistance (Set Aside)</u>	\$ 78,625	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 78,625
<u>Business Financial Assistance AD (Set Aside)</u>	\$ 13,875	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 13,875
_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<b>Totals:</b>	<b>\$ 400,000</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ 400,000</b>

# 2012 CDBG APPLICATION

## Enterprise Fund Activity

### MICROENTERPRISE ASSISTANCE - Forms

#### TABLE OF CONTENTS

*\*Click on the box, drop-down menu or text box to enter information.*

A. ACTIVITY	SELECT	DOCUMENTATION	PAGE(S)
1. Scored or Un-Scored Activity	Yes	Scored	24
2. Activity Funding	Yes	Chart	26
3. Description of Activity	Yes	Narrative	49,55-56
4. Combination Program and Funding by Activity Table	No	Chart	N/A
5. Activity Sources and Uses Table	Yes	Chart	27
6. Relocation	No	Check One on Chart	27
7. Program Operator	Yes	Check All That Apply On Chart	31,58-64
<b>B. NEED</b>			
1. Unemployment Rate	YES	10.9%	28
2. Market Analysis	Yes	Narrative	45-51
a) Understanding Market Conditions	YES	Narrative	45
b) Identifying and Analyzing Lending Opportunities and Competitors	YES	Narrative	47-48
c) Demand Projections	YES	Narrative	49-50
d) Conclusions	YES	Narrative	50-51
<b>C. BENEFIT</b>			
1. Poverty Rate	Yes	8.3%	28
2. Proposed Activity and Beneficiaries	Yes	Chart	29
<b>D. READINESS</b>			
1. Program Description			
Program Organization and Activity Flow Charts	Combination	Charts	29,57
Business Assistance Task Matrix	Combination	Task Matrix	41
Description of the Organization and Structure	Yes	Narrative	31,55-56
2. Program Operator Status			
Approved contracts for all subrecipients and consultants procured (or)	YES	Subrecipient	65-83
Grantee will be using in-house staff solely, or in conjunction with others	In-house staff	Check One	



## 2012 CDBG APPLICATION

### *Enterprise Fund Activity*

#### MICROENTERPRISE ASSISTANCE - Forms

for activity (or)			
Grantee does not have approved contracts and/or agreements Executed subrecipient agreement; program operator contract; or sample RFP	NO	Check One	
<b>3. Program Operator and/or Consultant Documentation</b>			
Complete duty statements	Yes	Subrecipient Procured	58
Complete resumes of program operator and staff	Yes	Subrecipient Procured	59-61
Identification of key staff performing ED financial analysis and underwriting	NO	Subrecipient Not Procured	
Documented experience of the program operator and staff	Yes	Subrecipient Procured	62-64
Performance on Past CDBG Economic Enterprise Fund Grants:			
1) 2008 Performance on Past Economic Enterprise Fund Grant 2008	Yes	ME Only	33
2) 2008 Performance on Past Economic Enterprise Fund Grant 2009	Yes	ME Only	34

## 2012 CDBG APPLICATION

### Enterprise Fund Activity

#### MICROENTERPRISE ASSISTANCE - Forms

#### A. Activity Information:

1. Is this activity being submitted as a scored activity, or as an Un-Scored (Set-Aside) Activity?

☒ Scored Activity      ☐ Un-Scored (Set-Aside) Activity

2. How much is being requested for this Microenterprise Activity?

\$ 277,500 = (235,875) + (41,625)

Total Requested for this Activity = (Activity \$\$) + (Activity Delivery \$\$)

3. **Description of Activity:** *(See instructions.)*

Microenterprise training and counseling in the areas of business planning, financing, accounting, and marketing to businesses located in the non-entitlement communities of Benicia, Dixon, Rio Vista, Suisun City, and the unincorporated areas of Solano County. A \$80,000 micro-enterprise loan fund will also be established as part of this activity to continue a program developed under a prior CDBG Enterprise Fund Micro-enterprise grant.

4. Is this activity a component of an Enterprise Fund Combo program? *If Yes, fill in the table below.*

☐ Yes      ☒ No

Activity	Activity Amount Requested (\$)	Activity Delivery Amount Requested (\$)	Total Amount Requested (\$)
<b>Business Assistance</b>			
Financial Assistance	\$	\$	\$
<b>Microenterprise</b>			
Technical Assistance	\$	\$	\$
Financial Assistance	\$	\$	\$
Support Services	\$	\$	\$
<b>ME Activity Totals</b>	\$	\$	\$
<b>COMBO Activity Totals</b>	\$	\$	\$
General Administration* <i>(not to exceed 7.5 percent (%))</i>			\$
<b>Total Amount Requested <i>(not to exceed \$500,000)</i></b>			\$

#### Notes:

- General Administration (GA) not to exceed 7.5 percent (7.5%) of Total Amount Requested.

## 2012 CDBG APPLICATION

### *Enterprise Fund Activity*

#### MICROENTERPRISE ASSISTANCE - Forms

- *Activity Delivery is not to exceed 15% of Activity Amount.*
- *No Program Income may be committed to this Activity.*
- *No leverage will be scored; no backup will be required.*

**5. Sources and Uses:**

Microenterprise Assistance Funding Sources					
Uses	State (\$) CDBG	Bank (\$)	Jurisdiction (Applicant) (\$)	Other (\$) (specify)	Total
Technical Assistance	155,875				155,875
Financial Assistance	80,000				80,000
Support Services					
Activity Delivery	41,625				41,625
General Administration	22,500				22,500
Other (specify)					
<b>TOTAL (\$)</b>	<b>300,000</b>				<b>300,000</b>

**6. Relocation Compliance?** *(Check the one that applies)*

- ☒ No projects identified at this time. No review of relocation compliance is required.
- ☐ Existing project(s) identified for financial assistance *(If an identified project or loan will trigger relocation activities, a project-specific relocation plan must be submitted for Department review at time of underwriting the loan).*

**7. Who will be the Program Operator?** *(Check all that apply)*

- ☒ Jurisdiction (Applicant)
- ☐ Consultant (For-Profit)
- ☒ Subrecipient (Non-Profit)
- ☐ Other Unit of Local Government
- ☐ Other Public Agency
- ☐ Other Non-Profit
- ☐ Other (Specify):

**B. Need for Activity:**

## 2012 CDBG APPLICATION

### Enterprise Fund Activity

#### MICROENTERPRISE ASSISTANCE - Forms

In this section, the need for Microenterprise Assistance is based on the jurisdiction's annual unemployment rate as well as a Market Analysis provided by the applicant.

**Average Unemployment Rate** - Enter the Jurisdiction's average annual unemployment rate using information contained in **Appendix O** - Monthly Labor Force Data for Counties, Report 400C.

Annual Average Unemployment Rate*	10.9%
-----------------------------------	-------

\* Value rounded to one decimal place, e.g. 12.6%

**Market Analysis** - See the Instructions for the outline to follow to develop the market analysis.

- ☒ Understanding Market Conditions
- ☒ Identifying/Analyzing Lending Opportunities and Competitors
- ☒ Demand Projections
- ☒ Conclusions

Documentation provided on pages: 45-53

#### C. Benefit:

The Applicant must provide the following information:

1. **Poverty Rate** - Enter the Jurisdiction's poverty rate using information contained in **Appendix A**.

Poverty Rate*	8.3%
---------------	------

\*Carry out all % to one decimal point, e.g. 12.6%

## 2012 CDBG APPLICATION

### Enterprise Fund Activity

#### MICROENTERPRISE ASSISTANCE - Forms

#### 2. Proposed Activity and Beneficiaries – Microenterprise Assistance:

##### Proposed Activity(s) and Beneficiaries

Complete and enter the following information: 1) the projected number of businesses to be assisted; and 2) the estimated number of jobs to be created and/or retained by each activity proposed under this application

ACTIVITY	# of Business Expansions	# of Business Start-Ups	# Jobs Created/ Retained	# LOW-MOD Jobs*	CDBG National Objective*
<b>Microenterprise</b>					
Business Loans	60 TA 2 Loans	30 TA 2 Loans	20	20	<input type="checkbox"/> Slums/Blight <input checked="" type="checkbox"/> LOW-MOD - Jobs

\* For Microenterprise Assistance activities meeting the TIG benefit, National Objective, all persons/business owners must be documented as low income. Microenterprise activities are not required to create or retain jobs but must track any job activity for CDBG reporting purposes.

#### D. Readiness:

##### 1. Program Description:

- ☒ **Program Organization and Activity Flow Chart:** Please use the sample in **Appendix S**.

Documentation provided on pages: 57

- ☒ **Microenterprise Assistance Task Matrix:** Please complete the Sample Microenterprise Assistance Task Matrix form below.

## 2012 CDBG APPLICATION

### Enterprise Fund Activity

#### MICROENTERPRISE ASSISTANCE - Forms

#### SAMPLE MICROENTERPRISE ASSISTANCE TASK MATRIX FORM

Task	Program Operator	City/County
Approve RLF Guidelines		X
Clear Special Conditions	X	X
Prepare Funds Requests	X	X
Monitor Grant Expenditures		X
Generate Fiscal/Performance Reports	X	X
Coordinate grant activities with Program Operator and Grantee	X	X
Oversee program implementation and activities		X
Compile official grant project files	X	X
Monitor achievement of goals		X
Report on progress to Grantee and local governing body	X	X
Meet with local econ developers to solicit referrals	X	
Create and distribute program flyers and newsletters	X	
Write press releases and market Microenterprise services	X	
Participate in Loan Advisory Review		X
Loan Servicing and Accounting		X
Create and update the program website	X	
Determine business size and eligibility as a microenterprise	X	
Ascertain readiness of potential participant	X	
Ascertain readiness in eligible, enrolled participant	X	
Gather baseline data on potential participant	X	
Gather baseline data on eligible, enrolled participant	X	
Field calls from potential participant	X	
Create service plan for eligible, enrolled participant	X	
Coordinate course offerings with community colleges and other providers	X	
Set up courses and schedules for eligible, enrolled participants	X	
Assist in preparing business plan and marketing strategy	X	
Conduct courses	X	
Curriculum Development	X	
Class/Training Preparation	X	
Guide eligible, enrolled participants in resolving business issues	X	
Field calls from enrolled, eligible participants	X	
Meetings/counsel sessions with eligible, enrolled participants	X	
Assist in preparing loan application	X	

## 2012 CDBG APPLICATION

### Enterprise Fund Activity

#### MICROENTERPRISE ASSISTANCE - Forms

Collect and input eligible, enrolled participant data	X	
Prepare and submit cost allocation plan	X	
Report on program outcomes	X	X
Determine indicators for tracking	X	
Evaluate program effectiveness	X	X
Create database to match participant data collection	X	
Attend HCD Workshops		X
Microenterprise Financial Assistance -Part 5 Income Determination	X	
Microenterprise Technical Assistance – Income screen for TIG status to establish eligibility	X	
Add additional task here		
Add additional task here		

☒ **Description of the Organization and Structure**

Description provided on pages: 55-57

**3. Program Operators Status:**

- ☒ The application has approved contracts for all subrecipients and consultants according to HUD Procurement Guidelines.

Description provided on pages: 66-84

- ☐ The applicant has indicated the Grantee will use in-house staff to act as the sole program operator, or in conjunction with a subrecipient or consultant. The applicant has identified the staff responsible for doing the work and/or activity.

Description provided on pages: \_\_\_\_\_

- ☐ The applicant does not have approved contracts or agreements but will be procuring services for this activity. The applicant must provide a copy of the subrecipient agreement or Request for Proposal (RFP) that will be used by the grantee to procure the program operator and/or consultants for this activity. In the case where the applicant uses an RFP procurement process, the applicant must provide the method of evaluation and selection for the program operator and/or or consultants.

Documentation provided on pages: \_\_\_\_\_

**4. Program Operator and/or Consultant Qualification Documentation:**

The applicant must include the following for each individual performing work under this activity:

- ☒ Complete duty statement for all job positions.

## 2012 CDBG APPLICATION

### *Enterprise Fund Activity*

#### MICROENTERPRISE ASSISTANCE - Forms

Description provided on pages: 58

- ☒ Complete resumes of the individuals performing the work including all relevant experience, and emphasize actual CDBG Revolving Loan Fund, grant management, marketing and CDBG financial underwriting experience.

Description provided on pages: 59-60

- ☒ Identification of the individual or individuals performing the Microenterprise technical assistance and/or financial underwriting for microenterprise loans.

Description provided on pages: 62

- ☒ Provide certificates of training that substantiate microenterprise program design and implementation expertise, microenterprise financial expertise or CDBG specialization, such as microenterprise counseling, training material development and micro loan underwriting and deal structuring.

Documentation provided on pages: 64

5. **Past Performance and Use of CDBG Enterprise Grant Funds** - In this section the applicant's performance and expenditure of 2008 and 2009 CDBG ED grants will be evaluated and scored. Various factors assessing an applicant's performance on past CDBG grants shall include but not limited to the following: a) achievement of job creation or job retention objectives specified in the grant agreement; and, b) the timely expenditure of CDBG grant funds. *Please complete the following forms on **Performance on Past CDBG ED grants for 2008 and 2009 below.***



## 2012 CDBG APPLICATION

### *Enterprise Fund Activity*

#### MICROENTERPRISE ASSISTANCE - Forms

<b>Performance on Past CDBG Enterprise Fund Grants – 2008</b>	
Grantee: County of Solano	Gant #: 08-EDEF-5892
<input type="checkbox"/> Did not apply	<input type="checkbox"/> Held-out from applying
Contract Execution Date: 9/23/2009	Contract Termination Date: 12/31/2011
Business Assistance Loan Program	Microenterprise Assistance Activity
Business Assistance Activity Budgeted:	Microenterprise Activity Budgeted:
<input type="checkbox"/> Business Loans: \$	<input checked="" type="checkbox"/> Technical Assistance: \$ 92,670 <input checked="" type="checkbox"/> Loans: \$ 150,000 <input type="checkbox"/> Support Services: \$ <input type="checkbox"/> Façade Improvements: \$
Funds Spent:	Funds Spent*:
<input type="checkbox"/> Grant amount expended*: \$ <input type="checkbox"/> Disencumbered: \$	Technical Assistance: <input checked="" type="checkbox"/> Grant amount expended*: \$78,566 <input checked="" type="checkbox"/> Disencumbered: \$14,104  Financial Assistance: <input checked="" type="checkbox"/> Grant amount expended*: \$50,000 <input checked="" type="checkbox"/> Disencumbered: \$100,000 <input type="checkbox"/> Support Services: \$
Activity Results for this Grant:	Activity Results for this Grant:
Number of loans approved***: Total number of actual jobs created/retained:	<u>Technical Assistance**:</u> Total # of proposed LOW-MOD clients to be assisted per the application: 60 Total # Completing Program: 30 Total Number of actual LOW-MOD clients assisted***: 31  <u>Micro Business Loans:</u> Number of loans approved per the application: 3 Total number of loans made****: 1

**Notes:**      \* Grant funds expended as of December 31, 2011.

             \*\* Total Number of actual Low-Mod clients assisted as of December 31, 2011.

             \*\*\* Total number of loans made as of December 31, 2011.

Activity Results for this grant will be evaluated on actual results and projections in the application.

# 2012 CDBG APPLICATION

## Enterprise Fund Activity

### MICROENTERPRISE ASSISTANCE - Forms

Performance on Past CDBG Enterprise Fund Grants – 2009	
Grantee: County of Solano	Grant #:
<input checked="" type="checkbox"/> Did not apply	<input type="checkbox"/> Held-out from applying
Contract Execution Date:	Contract Termination Date:
Business Assistance Loan Program	Microenterprise Assistance Activity
Business Assistance Activity Budgeted:	Microenterprise Activity Budgeted:
<input type="checkbox"/> Business Loans: \$	<input type="checkbox"/> Technical Assistance: \$ <input type="checkbox"/> Loans: \$ <input type="checkbox"/> Support Services: \$ <input type="checkbox"/> Façade Improvements \$
Funds Spent:	Funds Spent*:
<input type="checkbox"/> Grant amount expended*: \$ <input type="checkbox"/> Disencumbered: \$	Technical Assistance: <input type="checkbox"/> Grant amount expended*: \$ <input type="checkbox"/> Disencumbered: \$  Financial Assistance: <input type="checkbox"/> Grant amount expended*: \$ <input type="checkbox"/> Disencumbered: \$ <input type="checkbox"/> Support Services: \$
Activity Results for this Grant:	Activity Results for this Grant:
Number of loans approved***: Total number of actual jobs created/retained:	<u>Technical Assistance**:</u> Total # of proposed LOW-MOD clients to be assisted per the application: Total # Completing Program: Total Number of actual LOW-MOD clients assisted***:  <u>Micro Business Loans:</u> Number of loans approved per the application: Total number of loans made****:

**Notes:**

\* Grant funds expended as of December 31, 2011

\*\* Total Number of actual Low-Mod clients assisted as of December 31, 2011

\*\*\* Total number of loans made as of December 31, 2011

Activity Results will be evaluated for this grant based on actual results and projections in the application.

# 2012 CDBG APPLICATION

## Enterprise Fund Activity

### BUSINESS ASSISTANCE - Forms

#### TABLE OF CONTENTS

*\*Click on the box, drop-down menu or text box to enter information.*

A. ACTIVITY	SELECT	DOCUMENTATION	PAGE(S)
1. Scored or Un-Scored Activity	Yes	<u>Un-Scored</u>	35
2. Activity Funding	Yes	Chart	37
3. Description of Activity	Yes	Narrative	37
4. Combination Program and Funding by Activity Table	No	Chart	N/A
5. Activity Sources and Uses Table	Yes	Chart	38
6. Relocation	No	No	38
7. Program Operator	Yes	Check All That Apply On Chart	38
<b>B. NEED</b>			
1. Unemployment Rate	YES	From Appendix O	39
2. Market Analysis	Yes	Yes	54
a) Understanding Market Conditions	YES	Narrative	54
b) Identifying and Analyzing Lending Opportunities and Competitors	YES	Narrative	54
c) Demand Projections	YES	Narrative	54
d) Conclusions	YES	Narrative	54
<b>C. BENEFIT</b>			
1. Poverty Rate	Yes	Chart	39
2. Proposed Activity and Beneficiaries	Yes	Chart	40
<b>D. READINESS</b>			
1. Program Description			
Program Organization and Activity Flow Charts	Combination	Chart	47
Business Assistance Task Matrix	Combination	Task Matrix	41
Description of the Organization and Structure	Yes	Narrative	55-56
2. Program Operator Status			
Approved contracts for all subrecipients and consultants procured (or)	NO	Subrecipient	42,84-101
Grantee will be using in-house staff solely, or in conjunction with others	In-house staff	Combination	42

## 2012 CDBG APPLICATION

### *Enterprise Fund Activity*

#### BUSINESS ASSISTANCE - Forms

for activity (or)			
Grantee does not have approved contracts and/or agreements Executed subrecipient agreement; program operator contract; or sample RFP	YES	Draft Subrecipient Agreement	42, 84-101
<b>3. Program Operator and/or Consultant Documentation</b>			
Complete duty statements	NO	Subrecipient Not Provided	
Complete resumes of program operator and staff	NO	Subrecipient Not Provided	
Identification of key staff performing ED financial analysis and underwriting	NO	Subrecipient Not Provided	
Documented experience of the program operator and staff	NO	Subrecipient Not Provided	
Performance on Past CDBG Economic Enterprise Fund Grants:			
1) 2008 Performance on Past Economic Enterprise Fund Grant 2008	Yes	ME Only	43
2) 2008 Performance on Past Economic Enterprise Fund Grant 2009	Yes	ME Only	44

# 2012 CDBG APPLICATION

## Enterprise Fund Activity

### BUSINESS ASSISTANCE - Forms

#### A. Activity Information:

1. Is this activity being submitted as a scored activity, or as an Un-Scored (Set-Aside) Activity?  
☐ Scored Activity      ☒ Un-Scored (Set-Aside) Activity
  
2. How much is being requested for this Business Assistance Activity?  
 \$92,500 = \$78,625 + \$13,875  
 Total \$\$ Requested for this Activity = (Activity \$\$) + (Activity Delivery \$\$)
  
3. **Description of Activity:** *(See instructions.)*  
Provide business loans to businesses in the four non-entitlement communities of Benicia, Dixon, Rio Vista, Suisun and unincorporated areas of Solano County.
  
4. Is this activity a component of an Enterprise Fund Combo program? *If Yes fill in the chart below.*  
☐ Yes      ☒ No

Activity	Activity Amount Requested (\$)	Activity Delivery Amount Requested (\$)	Total Amount Requested (\$)
<b>Business Assistance</b>			
Financial Assistance	\$	\$	\$
<b>Microenterprise</b>			
Technical Assistance	\$	\$	\$
Financial Assistance	\$	\$	\$
Support Services	\$	\$	\$
<b>ME Activity Totals</b>	\$	\$	\$
<b>COMBO Activity Totals</b>	\$	\$	\$
General Administration* <i>(not to exceed 7.5 percent (%))</i>			\$
<b>Total Amount Requested <i>(not to exceed \$500,000)</i></b>			\$

#### Notes:

- General Administration (GA) not to exceed 7.5 percent (7.5%) of Total Amount Requested.
- Activity Delivery is not to exceed 15% of Activity Amount.
- No Program Income may be committed to this Activity.
- No leverage will be scored; no backup will be required.

## 2012 CDBG APPLICATION

### *Enterprise Fund Activity*

#### BUSINESS ASSISTANCE - Forms

##### 5. Sources and Uses:

Business Assistance Funding Sources					
Uses	State (\$) CDBG	Bank (\$)	Jurisdiction (Applicant) (\$)	Other (\$) (specify)	Total
Business Loans	78,625				78,625
Activity Delivery	13,875				13,875
General Administration	7,500				7,500
Other (specify)					
<b>TOTAL (\$)</b>	100,000				100,000

##### 6. Relocation Compliance? (Check the one that applies)

- ☒ No projects identified at this time. No review of relocation compliance is required.
- ☐ Existing project(s) identified for financial assistance *(If an identified project will trigger relocation activities, a project-specific relocation plan must be submitted for Department review at time of underwriting the project).*

##### 7. Who will be the Program Operator? (Check all that apply)

- ☒ Jurisdiction (Applicant)
- ☐ Consultant (For-Profit)
- ☒ Subrecipient (Non-Profit)
- ☐ Other Unit of Local Government
- ☐ Other Public Agency
- ☐ Other Non-Profit
- ☒ Combination (Specify):
- ☐ Other (Specify):

##### **B. Need for Activity:**

In this section, the need for Business Assistance is based on the jurisdiction's annual unemployment rate as well as a Market Analysis provided by the applicant.

## 2012 CDBG APPLICATION

### Enterprise Fund Activity

#### BUSINESS ASSISTANCE - Forms

1. **Average Unemployment Rate** - Enter the Jurisdiction's average annual unemployment rate using information contained in **Appendix O** - Monthly Labor Force Data for Counties, Report 400C.

Annual Average Unemployment Rate*	10.9%
-----------------------------------	-------

\* Value rounded to one decimal place, e.g. 12.6%

2. **Market Analysis** - See the Instructions (Page 4) for the outline to follow to develop the market analysis.

- ☒ Understanding Market Conditions
- ☒ Identifying/Analyzing Lending Opportunities and Competitors
- ☒ Demand Projections
- ☒ Conclusions

Documentation provided on pages: 45-54

#### C. Benefit:

The Applicant must provide the following information:

1. **Poverty Rate** - Enter the Jurisdiction's poverty rate using information contained in **Appendix A**.

Poverty Rate*	8.3%
---------------	------

\* Carry out all % to one decimal point, e.g. 12.6%

## 2012 CDBG APPLICATION

### Enterprise Fund Activity

#### BUSINESS ASSISTANCE - Forms

#### 2. Proposed Activity and Beneficiaries – Business Assistance:

<b>Proposed Activity(s) and Beneficiaries</b> Complete and enter the following information: 1) the projected number of businesses to be assisted; and 2) the estimated number of jobs to be created and/or retained by each activity proposed under this application					
ACTIVITY	# of Business Expansions	# of Business Start-Ups	# Jobs Created/ Retained	# LOW-MOD Jobs*	CDBG National Objective*
<b>Business Assistance</b>					
Business Loans	1	1	3	3	<input type="checkbox"/> Slums/Blight <input checked="" type="checkbox"/> LOW-MOD - Jobs

\* For a Business Assistance activity meeting the TIG benefit, National Objective, at least 51% of the jobs created and/or retained must be held by low or very low income persons. Microenterprise activities are not required to create or retain jobs but must track any job activity for CDBG reporting purposes.

#### **D. Readiness:**

##### 1. Program Description:

☒ **Program Organization and Activity Flow Chart:** Please use the sample in **Appendix S**.

Documentation provided on pages: 57

☒ **Business Assistance Task Matrix:** Please use the Business Assistance Task Matrix sample below, marking the responsible party (Program Operator and/or City/County) conducting the task and/or task for the grant activities and activity projects.



# 2012 CDBG APPLICATION

## Enterprise Fund Activity

### BUSINESS ASSISTANCE - Forms

#### BUSINESS ASSISTANCE TASK MATRIX FORM

Task	Program Operator	City/County
Establish and Maintain Program Loan Files	X	
Legal Review of Loan Documents		X
Approve RLF Guidelines		X
Prepare Fiscal/Performance Reports		X
Review Fiscal/Performance Reports		X
Monitor Program Operator		X
Conduct NEPA and CEQA Review		X
Participate in LAB Review	X	X
Loan Servicing and Accounting	X	X
Provide Monthly Receipts of Loan Payments	X	X
Provide Quarterly Statements on Loans	X	
Implement collections and foreclosures	X	
Approve Reuse Plan		X
Meet with Participating Lenders	X	
Publicize and Market the RLF	X	
Screen and Assist Loan Applicants	X	
Refer ineligible applicants to others	X	
Request preliminary Loan information	X	
Get Credit Report and other documentation	X	
Prepare loan package and recommendation with appropriate determination	X	
Present loan to LAB	X	
Close loan with other lenders	X	
Monitor loan and general compliance	X	
Preview and Sign all HCD Reports		X
Prepare Cash Requests and HCD Reports		X
Clear special conditions	X	X
Site visits to borrowers	X	
Business Loans	X	
Track jobs/benefit (EEO)	X	
Monitor Labor Standards	X	
Income Screening/TIG Benefit	X	
Conduct Appeal Process	X	X
Establish Fair Share Amount		X
Develop Fair Share Agreement		X
Execute & Implement Fair Share Agreement		X
Planning, Building & Public Works Reviews		X
Attend HCD Workshops		X
Provide Business Counseling -- SBDC	X	
Provide Overall review and liaison between RLF components, City & CDBG program		X
Add additional task here		
Add additional task here		

## 2012 CDBG APPLICATION

### *Enterprise Fund Activity*

#### BUSINESS ASSISTANCE - Forms

☒ **Description of the Organization and Structure**

Description provided on pages: 54-55

**3. Program Operators Status:**

- ☐ The application has approved contracts for all subrecipients and consultants according to HUD Procurement Guidelines.

Documentation provided on pages: \_\_\_\_\_

- ☐ The applicant has indicated the Grantee will use in-house staff to act as the sole program operator, or in conjunction with a subrecipient or consultant. The applicant has identified the staff responsible for doing the work and/or activity.

Documentation provided on pages: \_\_\_\_\_

- ☒ The applicant does not have approved contracts or agreements but will be procuring services for this activity. The applicant must provide a copy of the subrecipient agreement or Request for Proposal (RFP) that will be used by the grantee to procure the program operator and/or consultants for this activity. In the case where the applicant uses an RFP procurement process, the applicant must provide the method of evaluation and selection for the program operator and/or or consultants.

Documentation provided on pages: 85-103

**4. Program Operator and/or Consultant Qualification Documentation:**

The applicant must include the following for each individual performing work under this activity:

- ☐ Complete duty statement for all job positions.

Documentation provided on pages: \_\_\_\_\_

- ☐ Complete resumes of the individuals performing the work including all relevant experience, and emphasize actual CDBG Revolving Loan Fund, grant management, marketing and CDBG financial underwriting experience.

Documentation provided on pages: \_\_\_\_\_

- ☐ Identification of the individual or individuals performing the economic development financial underwriting for Business Assistance loans.

Documentation provided on pages: \_\_\_\_\_

- ☐ Provide certificates of training that substantiate economic development financial expertise or CDBG specialization, such as HUD environmental expertise.

Documentation provided on pages: \_\_\_\_\_

## 2012 CDBG APPLICATION

### Enterprise Fund Activity

#### BUSINESS ASSISTANCE - Forms

- 5. Past Performance and Use of CDBG Enterprise Grant Funds** - In this section the applicant's performance and expenditure of 2008 and 2009 CDBG ED grants will be evaluated and scored. Various factors assessing an applicant's performance on past CDBG grants shall include but not limited to the following: a) achievement of job creation or job retention objectives specified in the grant agreement; and, b) the timely expenditure of CDBG grant funds. *Please complete the following forms on **Performance on Past CDBG ED grants for 2008 and 2009.***

Performance on Past CDBG Enterprise Fund Grants – 2008	
Grantee: County of Solano	Gant #: 08-EDEF-5892
<input type="checkbox"/> Did not apply	<input type="checkbox"/> Held-out from applying
Contract Execution Date: 9/23/2009	Contract Termination Date: 13/31/2011
Business Assistance Loan Program	Microenterprise Assistance Activity
Business Assistance Activity Budgeted:	Microenterprise Activity Budgeted:
<input type="checkbox"/> Business Loans: \$	<input checked="" type="checkbox"/> Technical Assistance: \$ 92,670 <input checked="" type="checkbox"/> Loans: \$ 150,000 <input type="checkbox"/> Support Services: \$ <input type="checkbox"/> Façade Improvements: \$
Funds Spent:	Funds Spent*:
<input type="checkbox"/> Grant amount expended*: \$ <input type="checkbox"/> Disencumbered: \$	Technical Assistance: <input checked="" type="checkbox"/> Grant amount expended*: \$78,566 <input checked="" type="checkbox"/> Disencumbered: \$14,104  Financial Assistance: <input checked="" type="checkbox"/> Grant amount expended*: \$50,000 <input checked="" type="checkbox"/> Disencumbered: \$100,000 <input type="checkbox"/> Support Services: \$
Activity Results for this Grant**:	Activity Results for this Grant:
Number of loans approved: Total number of actual jobs created/retained:	<u>Technical Assistance***:</u> Total # of proposed LOW-MOD clients to be assisted per the application: 60 Total # Completing Program: 30 Total Number of actual LOW-MOD clients assisted***: 31  <u>Micro Business Loans:</u> Number of loans approved per the application: 3 Total number of loans made****: 1

**Notes:** \* Grant funds expended as of December 31, 2011.

\*\* Total Number of actual LOW-MOD clients assisted as of December 31, 2011.

\*\*\* Total number of loans made as of December 31, 2011.

Activity Results for this grant will be evaluated on actual results and projections in the application.

## 2012 CDBG APPLICATION

### *Enterprise Fund Activity*

#### BUSINESS ASSISTANCE - Forms

Performance on Past CDBG Enterprise Fund Grants – 2009	
Grantee: County of Solano	Grant #:
<input checked="" type="checkbox"/> Did not apply	<input type="checkbox"/> Held-out from applying
Contract Execution Date:	Contract Termination Date:
Business Assistance Loan Program	Microenterprise Assistance Activity
Business Assistance Activity Budgeted:	Microenterprise Activity Budgeted:
<input type="checkbox"/> Business Loans: \$	<input type="checkbox"/> Technical Assistance: \$ <input type="checkbox"/> Loans: \$ <input type="checkbox"/> Support Services: \$ <input type="checkbox"/> Façade Improvements \$
Funds Spent:	Funds Spent*:
<input type="checkbox"/> Grant amount expended*: \$ <input type="checkbox"/> Disencumbered: \$	Technical Assistance: <input type="checkbox"/> Grant amount expended*: \$ <input type="checkbox"/> Disencumbered: \$  Financial Assistance: <input type="checkbox"/> Grant amount expended*: \$ <input type="checkbox"/> Disencumbered: \$ <input type="checkbox"/> Support Services: \$
Activity Results for this Grant:	Activity Results for this Grant:
Number of loans approved**: Total number of actual jobs created/retained:	Technical Assistance***: Total # of proposed LOW-MOD clients to be assisted per the application: Total # Completing Program: Total Number of actual LOW-MOD clients assisted***:  <u>Micro Business Loans:</u> Number of loans approved per the application: Total number of loans made****:

**Notes:**

\* Grant funds expended as of December 31, 2011

\*\* Total Number of actual LOW-MOD clients assisted as of December 31, 2011

\*\*\* Total number of loans made as of December 31, 2011

Activity Results for this grant will be evaluated on actual results and projections in the application.

## **Attachment A.            Microenterprise Technical Assistance Program Market Analysis**

### **a) Market and Need for Microenterprise Technical Assistance**

Solano County's Economic Development Plan is incorporated into its General Plan, which was adopted by the Board of Supervisors on August 5, 2008 and affirmed by the voters on November 4, 2008. The objectives in this plan were established by two parallel community processes that providing complementing feedback for the Board of Supervisors to adopt its economic strategy, which is outlined in the General Plan, Chapter 6 Economic Development.

When the discussions began in 2006 to host a countywide Economic Summit, the objective was to create a common vision for economic development, define a role for the County in economic development, and to establish a shared commitment toward achieving that vision. With the co-sponsorship of the City County Coordinating Council, the Solano Transportation Authority and the Solano Economic Development Corp., the County hosted Solano Economic Summit 1 on February 15, 2007 (180 attendees). By the end of the year two more Economic Summits were held – June 19 with 120 attendees and December 13 with 110 attendees – and consensus on a Solano Economic Development Strategic Framework was formed.

One of the outcomes of these summits was a clear need for practical measurements to guide the collective economic development decisions of the seven cities and the County. The County contracted with the Solano Economic Development Corporation to oversee the development of these series of matrixes, which was prepared by Collaborative Economics. A fourth Economic Summit was held on November 20, 2008 to present the "Solano County 2008 Index of Economic and Community Progress." This document identifies the economic and community indicators that can be used to understand trends and provide policy makers and the business community a baseline of data for future economic development decisions.

The Solano Index specifically identified microenterprises as increasingly vital to the Solano Economy (page 14 of Solano Index). Per the index report, in Solano County, 65% of businesses have fewer than five employees and 95% of the firms have fewer than 50 employees, not including firms without employees.

Firms without employees (also known as non-employers) also make up a large percentage of the employment in Solano County. In 2009, the county had 20,176 firms without employees. These firms without employees are equivalent to approximately 16% of the job base of Solano County. The numbers of microenterprises and non-employers have both decreased over the 2007-2009 time period with the number of microenterprises decreasing by 5.4% and the number of non-employers decreasing by 7.2% (see tables 1 & 2).

Microenterprises located in the non-entitlement cities have been traditionally underserved due to population restrictions, geographic restrictions, and financial restrictions. The three cities in the County with populations in the 100,000 range (Vallejo, Fairfield, Vacaville), have more resources than the smaller non-entitlement cities to provide training, counseling, and other events. For example, annual Business Expos and Lenders Fairs are conducted in Vallejo, Fairfield, and Vacaville. Such events are not possible in smaller cities due to limited population,

budget, and geographic restrictions. Even smaller training events are more difficult to provide in the cities such as Rio Vista where it is difficult to gather enough participants to reach a breakeven point and due to the travel costs to send a trainer. Travel costs also make it more difficult to provide one-on-one counseling in these smaller cities forcing the clients to come to the larger cities to meet with a counselor. The proposed grant funds will be used to help fund business advisors who can meet with clients in these smaller more remote cities.

Per the Census Bureau County Business Patterns Data, the top three industry sectors for Solano County were retail, health care, and construction (see table 1). In terms of retail, each of the non-entitlement cities has a traditional Main Street downtown which has been impacted by larger regional retail centers. As such, one of the target groups of this grant will be to work with microenterprises located in each of the four cities downtowns. Another potential target group would be microenterprises in the unincorporated parts of the county such as Mankas Corners, Rockville Corner, El Mira, Cordelia, etc. Agri-tourism businesses are being promoted for these areas with businesses such as tasting rooms, fruit and vegetable stands, art galleries, etc. Health care may include individuals who may not be in the low or moderate income category so the grant will not be focusing on that sector. Construction on the other hand has been hard hit and many in that industry sector may find themselves in the low and moderate income range so the grant will work with businesses in this area that either want assistance expanding their construction related business or assistance starting a business in a different industry sector.

<b>Microenterprises in Solano (Source U.S. Census Bureau County Business Patterns)</b>						
	<b>2007</b>		<b>2008</b>		<b>2009</b>	
<b>Number of Employees</b>	<b>1-4</b>	<b>5-9</b>	<b>1-4</b>	<b>5-9</b>	<b>1-4</b>	<b>5-9</b>
Total for all sectors	7,228	3,712	7,032	3,565	6,839	3,504
Forestry, fishing, hunting, and	15	11	13	9	13	9
Mining, quarrying, and oil and gas	7	3	7	3	7	2
Utilities	9	6	11	4	10	3
Construction	853	524	777	473	718	471
Manufacturing	294	108	288	104	281	94
Wholesale trade	302	140	289	127	292	134
Retail trade	1,149	448	1,128	421	1,105	437
Transportation and warehousing	205	94	198	84	199	90
Information	85	42	89	48	78	35
Finance and insurance	405	232	370	220	347	203
Real estate and rental and leasing	398	276	375	261	368	260
Professional, scientific, and technical	618	401	592	393	588	386
Management of companies and	44	13	42	18	38	16
Administrative and Support and	367	215	359	206	357	215
Educational services	82	35	81	35	84	43
Health care and social assistance	863	438	857	434	864	421
Arts, entertainment, and recreation	108	56	110	61	101	56
Accommodation and food services	722	251	743	239	720	216
Other services (except public	693	410	691	414	653	397
Industries not classified	9	9	12	11	16	16

**Table 1. Microenterprises with 1-4 and 5-9 employees by Industry Sector in Solano County**

Examining the non-employer data for 2007-2009, the three largest industry sectors are services, professional/scientific, and real estate (see table 2). Retail, healthcare, and construction are still in the top ten industry sectors.

<b>Non-employer Firms (Source US Census Bureau)</b>						
	<b>2007</b>		<b>2008</b>		<b>2009</b>	
	Firms	Receipts (\$1,000s)	Firms	Receipts (\$1,000s)	Firms	Receipts (\$1,000s)
Total for all sectors	21,730	858,646	20,688	810,232	20,176	739,088
<a href="#">Agriculture, forestry, fishing and</a>	122	5,724	113	4,330	110	3,652
<a href="#">Mining, quarrying, and oil and gas</a>	39	2,789	35	3,012	41	1,762
<a href="#">Utilities</a>	14	555	11	407	12	417
<a href="#">Construction</a>	1,860	115,771	1,759	106,844	1,705	79,118
<a href="#">Manufacturing</a>	265	9,311	279	11,551	258	7,537
<a href="#">Wholesale trade</a>	351	33,167	336	29,231	318	28,902
<a href="#">Retail trade</a>	2,342	82,857	2,046	79,592	2,025	67,507
<a href="#">Transportation and warehousing</a>	935	62,627	888	63,485	812	48,196
<a href="#">Information</a>	275	7,323	256	6,293	241	5,885
<a href="#">Finance and insurance</a>	685	27,444	583	23,891	497	41,757
<a href="#">Real estate and rental and leasing</a>	2,529	145,844	2,165	129,244	1,996	133,368
<a href="#">Professional, scientific, and</a>	3,001	104,258	3,004	110,695	2,925	97,698
<a href="#">Administrative and support and</a>	1,815	48,030	1,818	46,966	1,829	43,509
<a href="#">Educational services</a>	537	6,563	515	6,341	526	6,641
<a href="#">Health care and social assistance</a>	2,414	71,420	2,457	68,259	2,426	65,329
<a href="#">Arts, entertainment, and recreation</a>	1,105	20,991	1,054	18,985	1,038	15,826
<a href="#">Accommodation and food services</a>	280	18,420	288	13,891	307	13,117
<a href="#">Other services (except public</a>	3,161	95,552	3,081	87,215	3,110	78,867

**Table 2. Non-employer Firms by Industry Sector in Solano County**

Some of the cities such as Dixon which is in close proximity to UC Davis have potential to benefit from new professional/scientific businesses. The business owners will likely not qualify as microenterprises since the owners may not be low or moderate income, but they may be able to benefit from the Business Assistance activities also being proposed in conjunction with this grant. The City of Dixon and the SBDC have already assisted several such clients spinning out of UC Davis such as Axenia Biologics and Efficient Drivetrains Inc.

#### **b) Partners and Competitors Serving Microenterprise Clients**

Below is a list of partner organizations that the Solano College SBDC works with in serving microenterprise clients:

- Solano Economic Development Corporation (EDC)
- Benicia Chamber of Commerce
- Benicia Main Street Program
- Dixon Chamber of Commerce
- Dixon Main Street Program
- Rio Vista Chamber of Commerce
- Fairfield/Suisun Chamber of Commerce
- Suisun Historic Waterfront District
- Travis Credit Union
- Umpqua Bank
- First Northern Bank

The above organizations are partners versus competitors since most do not have capacity to provide technical assistance programs or manage loan programs. They currently rely on the Solano College SBDC to provide such services in a co-sponsored arrangement with them providing space and access to their members. For example, as part of the prior CDBG Enterprise Fund Microenterprise grant that the County of Solano completed in December 2012, many of these organizations helped with a survey and focus group study of retailers in all four of the non-entitlement cities conducted by Assessment Resources, Inc., a consultant hired to deliver a Profitability Tactics for Retailers seminar series. Each city had its unique set of interests. This data will be used to continue work in each of these cities under this new grant effort.

Per data from the Solano College SBDC over the last three years in Benicia, Dixon, Rio Vista, and Suisun City, the four top areas of demand in terms of counseling are financing/capital, business planning, startup assistance, and marketing. This matches the proposed four training topics under the grant (startup, business planning, financing, and marketing).

<b>Summary of Counseling by SBA Area</b>		
2009, 2010, 2011		
	<b>CLIENTS</b>	<b>SESSIONS</b>
<b>Business Accounting/Budget</b>	14	21
<b>Business Plan</b>	70	208
<b>Buy/Sell Business</b>	10	12
<b>Cash Flow Management</b>	6	8
<b>Financing/Capital</b>	71	118
<b>Government Contracting</b>	8	9
<b>Human Resources/Managing Employees</b>	9	18
<b>International Trade</b>	1	1
<b>Legal Issues</b>	6	9
<b>Managing a Business</b>	36	45
<b>Marketing/Sales</b>	56	137
<b>Start-up Assistance</b>	63	101
<b>Tax Planning</b>	2	2
<b>Technology/Computers</b>	3	5
<b>Choose not to respond</b>	2	4

Table 2. Summary of Counseling by SBA Area for Benicia, Dixon, Rio Vista, and Suisun City



### c) Demand Projections

The program will be marketed through local media campaigns, direct mail and collaboration with the City of Rio Vista, Rio Vista Chamber, City of Benicia, Benicia Chamber of Commerce, City of Dixon, Dixon Chamber of Commerce, City of Suisun City, Fairfield Suisun Chamber of Commerce, County of Solano, Solano Employment Connection, Workforce Investment Board, and the Solano Economic Development Corporation.

Based on the level of microenterprise activity and competitive environment described above, the grant anticipates serving the following number of participants over a three year period:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Total</u>
Existing Businesses	20	20	20	60
Startups	<u>10</u>	<u>10</u>	<u>10</u>	<u>30</u>
	25	25	25	90

The range of technical assistance services provided to these participants will include the following four program elements:

- A. In-Depth Business Assessment
- B. 4-Part Business Basics Workshop Series
- C. Business counseling- creation of business plan
- D. Assistance with securing financing through the Solano County CDBG funded microenterprise and business assistance loan programs.

<b>Program Elements</b>	<b>Details</b>	<b>Timeline</b>	<b>Evaluation Method</b>
In-Depth Business Assessment (components for success as a business owner)  <b>TIG only</b>	Client will fill out the income self certification form to determine eligibility as a target income group. Client will work with SBDC Business Advisor to identify specific needs for the business, create long-term goals and strategies, and identify specific strengths and barriers. Based on the needs identified, the SBDC Business Advisor will get commitment from client to move forward and refer the client to the appropriate workshops and resources to achieve the identified goals of the business.	First counseling session and periodic review throughout year.	Counselor and client will create a Scope of Work outline the goals that the client and SBDC Business Advisor will on to reach measurable outcomes.
4-Part Business Basics Workshop Series (open to any business )	Designed for Nascent Entrepreneurs and Start-up businesses; consists of 2 hour classes covering Business Basics, Start-up basics, Financial	Offered once per quarter throughout the year.	All participants complete an evaluation at end of class.

<b>Mixed class</b> (TIG & other)	basics, and Marketing basics.	Participants receive certificate upon completion.	
Business counseling – <b>TIG only</b>	Client will work with SBDC Business Advisors to create business plan including financial plan and marketing plan.	In-person meetings and/or phone calls held at least bi-weekly.	Client will be surveyed 90 days after becoming a client and at the end of each year.
Assistance with securing financing through the Solano County CDBG funded microenterprise and business assistance loan programs. <b>TIG only</b>	Client meets with SBDC financial advisor for assistance in preparing loan application. Solano County CDBG Loan committee will meet to determine whether loan will be funded. If successful in securing funding, client will meet with SBDC Business Advisor on a quarterly basis to monitor progress of the business.	As needed throughout duration of program.	Number of loans secured.

The cost to deliver the services for each participant is estimated to be as follows:

Screening Clients	\$100 (2 hrs X \$50/hr)
Assessment by SBDC Business Advisor	\$100 (2 hrs X \$50/hr)
Counseling by SBDC Business Advisors	\$900 (18 hrs X \$50/hr)
SBDC Director's Time Reviewing Scopes of Work	\$300 (5 hrs X \$60/hr)
Instructor Expenses for Training	\$200 (4 classes X \$50/class)
Instructional Supplies	<u>\$50</u>
<b>Total</b>	<b>\$1,650 per client</b>

Out of the 90 projected participants, an estimated 5 participants will require additional technical assistance applying for a microenterprise loan. Below is an estimate of the technical assistance expenses associated with the microloan applicants:

Assisting client with application	\$100 (2 hrs X \$50/hr)
Assisting client with Business Plan for loan	\$500 (10 hrs X \$50/hr)
Assisting client with financial projections	\$500 (10 hrs X \$50/hr)
Assisting with loan packaging	<u>\$375 (7.5 hrs X \$50/hr)</u>
<b>Total</b>	<b>\$1,475</b>

#### **d) Conclusions**

Based on the above estimated cost per client served, the total cost to deliver activities to the projected 90 participants is as follows:

Technical Assistance	\$148,500 (90 participants X \$1,650/participant)
Technical Assistance (microloans)	<u>\$7,375</u> (5 loans X \$1,475/loan)
Total Technical Assistance	<b>\$155,875</b>

## **Attachment B. Microenterprise Financial Assistance Market Analysis**

### **a) Market Conditions and Market Opportunities**

See analysis in Attachment A

### **b) Lending Opportunities and Competitors Serving Microenterprise Clients**

The following is a list of microloan lending products available to businesses in Solano County:

#### **Borrego Springs SBA Express Loan**

Minimum: \$5,000

Maximum: \$50,000

Term: 10 years fully amortized

Rates: Prime + 4.75%

Allowable Uses: Startup, inventory, equipment, working capital

Collateral Required: May not be required, personal guarantee

Equity Injection Required: 10%

#### **OBDC SBA Microloans**

Minimum: \$25,000

Maximum: \$250,000

Term: 3-10 years fully amortized

Rates: Prime + 4%

Allowable Uses: business acquisition, furniture, fixtures, equipment, inventory, working capital

Collateral Required: Personal Guarantee for microloans

Equity Injection Required: 10-30%

#### **TMC Working Solutions Microloan**

Minimum: \$5,000

Maximum: \$25,000 for startups, \$50,000 for existing in business 2 years

Term: 5 yrs fully amortized

Rates: 6 – 10%

Allowable Uses: working capital, inventory, equipment, fixtures, startup

Collateral Required: Personal Guarantee

Equity Injection Required: 10-15%

#### **SAFE-BIDCO Northcoast Microloan**

Minimum: \$1,000

Maximum: \$25,000

Term: 3- 6 years

Rates: Based on risk level

Allowable Uses: business startup or acquisition, inventory, equipment, working capital  
Collateral Required: Personal Guarantee  
Equity Injection Required: 10-30%

### **City of Dixon CDBG Business Assistance Loans**

Minimum: \$35,000 per job created  
Maximum: No Maximum  
Term: Flexible to meet project  
Rates: Based on financial gap  
Allowable Uses: working capital, inventory, equipment, fixtures, startup  
Collateral Required: 100% Collateral Coverage  
Equity Injection Required: 25-30%

The microenterprise loan fund will fill a gap not covered by the above loan programs for clients who have a financial gap (i.e. need a lower interest rate or longer term to make a project feasible) or have a qualification gap (i.e. cannot meet the equity injection, collateral, or credit requirements of other loan programs in the region). The loan program may also be used in conjunction with other loan programs if the client needs more capital than is allowed under limits of other non-CDBG loan programs). By combining loans, the client can secure the necessary capital to complete a project.

#### **c) Demand Projections**

An estimated 20 inquiries are expected to result in five applications with three of the five applications being funded. The estimated average request amount is expected to be in the \$25,000 - \$30,000 range.

#### **d) Conclusions**

Based on the above assumptions, if two loans were funded at \$25,000 and one at \$30,000, the full \$80,000 requested for a microenterprise loan fund would be drawn down over the three year period of the grant.

## **Attachment C. Business Financial Assistance Market Analysis**

### **a) Market Conditions and Market Opportunities**

See analysis in Attachment A

### **b) Lending Opportunities and Competitors Serving Business Assistance Clients**

The following is a list of lending products available to businesses in Solano County:

See list of microloan lenders in Attachment B.

In addition to the microloan lenders, there are several conventional and SBA lenders providing larger loans in Solano County include Travis Credit Union, Umpqua Bank, First Northern Bank, Wells Fargo, Bank of America, Citibank. Most of these lenders have a minimum loan amount of \$50,000.

### **c) Demand Projections**

The gap that the Business Assistance Loan Program can fill would be for businesses which do not meet the microloan eligibility requirements (i.e. five or fewer employees and the owner is low or moderate income). Since the owners may not meet the low and moderate income requirement, the national objective can be met under the Business Assistance Loan Program by creating one job for every \$35,000 loaned with 51% of the jobs created being TIG. The microenterprise loan programs are capped at \$50,000, so another gap the Business Assistance loan program can fill is for businesses seeking more than \$50,000.

### **d) Conclusions**

Since this is a set-aside request capped at \$100,000, the amount available for lending after subtracting General Administration (7.5%) and Activity Delivery (15%) is \$78,625. With a minimum loan amount of \$35,000, it is projected that 1-2 loans will be made over the three year period of the grant.

## **Attachment D. Program Organization and Activity Flow Chart**

Solano County proposes to establish a micro-enterprise assistance program to serve micro-enterprise businesses located in the four non-entitlement communities of Benicia, Dixon, Rio Vista, Suisun City and the unincorporated areas of Solano County. The target client for the program will be microenterprises (five or fewer employees) in the low-to-moderate income target income group. With funding from this grant, the program will serve **60 clients** over a three-year period, **one hundred percent of whom will be in the target income group.**

Solano County has entered into a subrecipient agreement with the Solano College Small Business Development Center (SBDC) to deliver micro-enterprise business support and technical assistance services to business owners. Services will include training and counseling in the areas of preparing microenterprises to access capital and the follow-up technical assistance after they receive funding. This will include business startup basics, business planning, financing, marketing, basic bookkeeping, and other small business topics necessary for current and prospective business owners to succeed and grow their businesses.

The SBDC offers a “Business Basics” series of training workshops (Startup Basics, Business Plan Basics, Financial Basics and Marketing Basics). This series of classes gives startup entrepreneurs the foundation, tools, and information they need to build a successful business. These workshops, as well as other custom workshops, will be offered to the local micro-enterprise businesses in their hometown, thus avoiding costly out-of-area travel. In addition, the CDBG funds for this project will be used to hire business advisors who can travel to each of the four cities and the unincorporated areas of the County to provide one-on-one counseling to the micro-enterprises without them having to travel.

The SBDC maintains a cadre of business advisors with a variety of expertise and specialized skills. Each client will be assigned a core business advisor who will do a needs assessment and then work with the client to develop a scope of work to address the identified needs of the business. The SBDC business advisors act in a counselor versus consultant role, and it is up to the client, with the help of the counselor, to do the work to accomplish the scope of work.

### **Intake Process**

As the primary small business resource for businesses in Solano County, the SBDC will serve as the access point and provide initial assessment and eligibility screening of entrepreneurs. SBDC will work with other economic development entities (chambers, jurisdictions, etc.) to market the services of the micro-enterprise technical assistance program, microenterprise loan program, and business financial assistance loan program to businesses in the region.

Clients entering the program will first complete a “Request for Services” form and fill out the income self-certification form to determine their eligibility as a targeted income group client. If they meet eligibility requirements, the SBDC will designate a SBDC business advisor to work with client on the four program elements described under Demand Projections section of the proposal.

The County of Solano intends to enter into a subrecipient agreement with an underwriter to act as the Microenterprise Loan Fund and Business Finance Assistance Loan Fund operator. The Loan Fund Operator will process applications to the loan funds, handle loan packaging and

underwriting, and servicing of the loans. Loan covenants will require the microenterprises receiving loans to work with the SBDC, the technical assistance provider, to increase the likelihood of the success for the business and to reduce the likelihood of default on the loans.

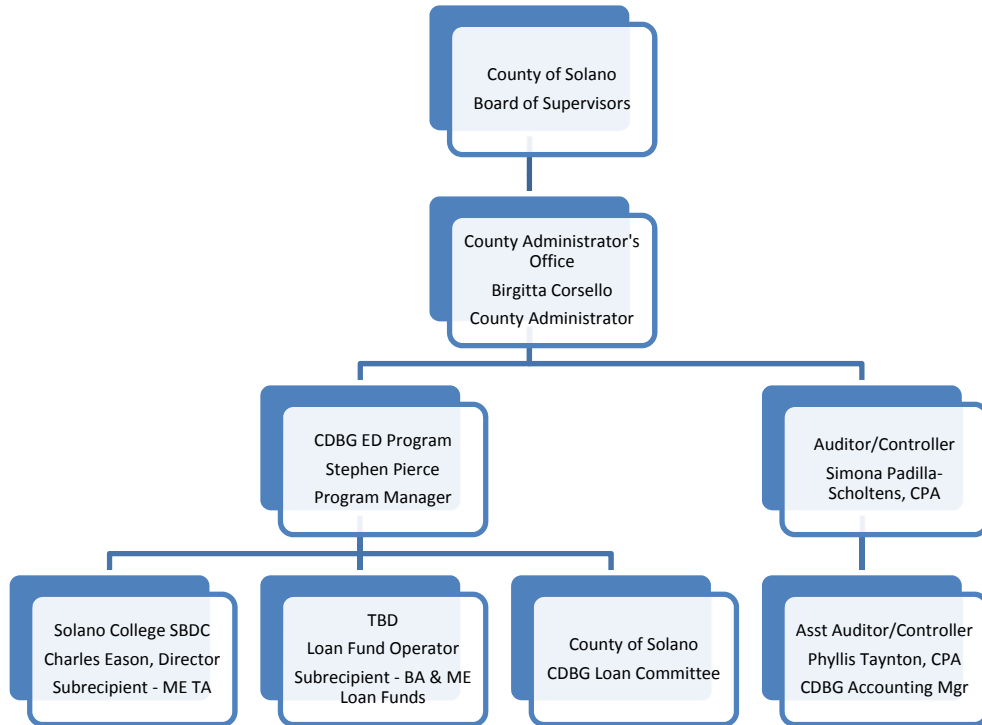
### **Measuring Results**

The SBDC maintains a case management system called WebCATS (Web-enabled Client Activity Tracking Software) which will be used to track all client activities. Economic impact resulting from these activities is recorded as the businesses share information with their SBDC business advisor. An annual survey is also done to capture any economic impact occurring during the year. The SBDC will track the following Economic Impact information for clients:

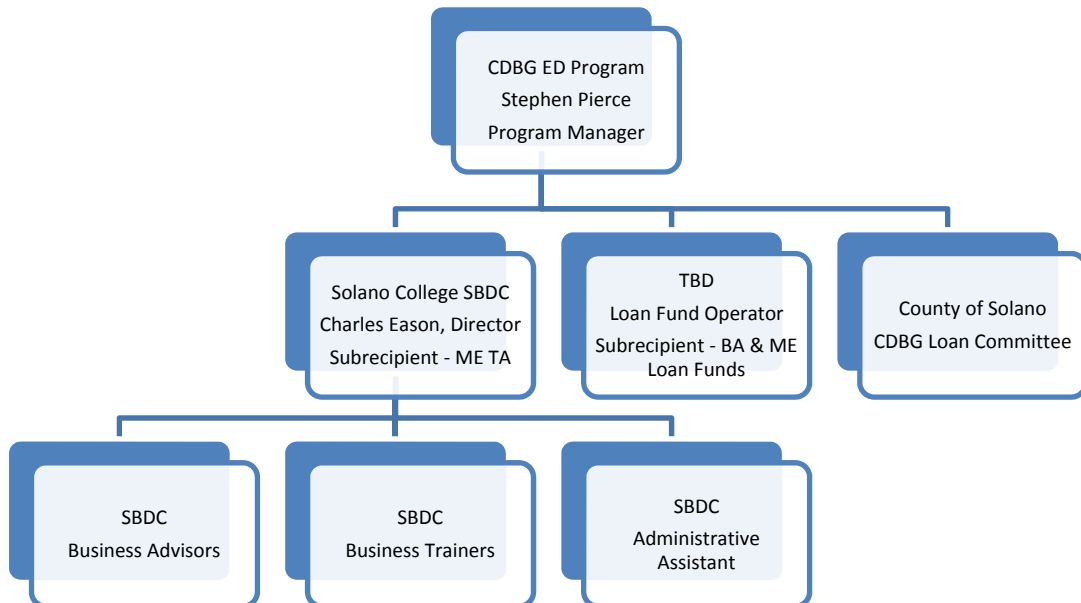
- Jobs Created
- Jobs Retained
- Increases in Sales
- Number of loans
- Dollar amount of loans
- Number of equity infusions of capital
- Dollar amount of equity infusions of capital
- Business Starts



## County of Solano CDBG ED Activity Program Organization Flowchart



## County of Solano CDBG ED Microenterprise and Business Assistance Activity Flowchart



## Attachment E. Program Operator Qualifications Documentation

### a) Duty Statements

Oversight for the program is the responsibility of Solano County. The following table describes the distinct roles each team member plays in delivery of the program:

Program Implementation Tasks and Roles	Staff/Contactor Responsible
A. Marketing and publicity of program	SBDC: Charles Eason, SBDC Director. Maintain communication and coordination with all other service providers to market the micro-enterprise and business assistance programs and to potential small business owners.
B. Coordination of program management and design for Micro-enterprise Program components including eligibility screening & verification. Business assessment program Pre-Venture training series One-on-one counseling	SBDC: Charles Eason, Director. Responsible for overall management, staff and new program development. Provides support to program.
C. Ongoing management of program, supervision of staff, workshop coordination, special projects, one-on-one counseling	SBDC: Charles Eason and the 23 SBDC Business Advisors providing one-on-one counseling.
D. Review and approval of microenterprise and business assistance loans <ul style="list-style-type: none"> <li>Review underwriting of loan</li> <li>Approval of amount of loan</li> <li>Establishment of and loan covenants</li> </ul>	Birgitta Corsello, County Administrator, will have final approval on loans. A loan committee will be established comprised of the following members: 1 Representative from the County Administrator's Office 1 Representative from the County Auditor Controller's Office 1 Local Lender 1 City Economic Development Representative
E. Client data tracking through WebCATS system: Demographic documentation Economic impacts Client participation in workshops Hours of counseling completed Scope of work and results Special Projects consulting	SBDC: Charles Eason, SBDC Director, SBDC Business Advisors, Administrative Assistant. Each counselor enters information regarding client's sessions. Admin. Asst. handles over-all paperwork and ensures accuracy of reporting.
F. Referral network and management of program coordination. Maintain communication with other service providers. Attend Economic Development meetings.	SBDC: Charles Eason Responsible for communication and networking with other business and economic development providers.
G. Grant administration, reporting and fulfillment of federal overlays	County: Stephen Pierce, PIO
H. Quarterly Reporting and submittal of documentation to Solano County.	SBDC: Charles Eason, Director. Prepares reports, invoices, ensures compliance with contract.
I. Fiscal and accounting to State HCD	County: Stephen Pierce, PIO
J. Monitor Program Operator	County: Stephen Pierce, PIO

## **Charles Eason**

Mr. Charles Eason is currently Director of the Solano College Small Business Development Center. Prior to his current position, Mr. Eason was Associate Director of the California Community College's Statewide Economic Development Network. He has also served as the Dean of the Napa Valley College Upper Valley Campus where he managed campus operations, the district's non-credit program and fee-based classes, the Napa Valley Cooking School, and the Napa Valley College Small Business Development Center.

Before moving to Northern California in 1997, Mr. Eason worked for the Inland Empire Small Business Development Center as manager of the Inland Empire Business Incubator which was located at the former Norton AFB in San Bernardino. Mr. Eason worked in the defense industry as a systems engineer for TRW's Ballistic Missile Program and later founded OPTEMA Development Corporation which developed a rapid prototyping technology with funding through a National Science Foundation (NSF) Small Business Technology Transfer (STTR) Phase I and Phase II grant. Mr. Eason is a graduate of the University of California, San Diego where he earned a Bachelor of Science Degree in Engineering Sciences and a graduate of California State University, San Bernardino where he earned a Master in Business Administration (MBA).

## **Stephen Pierce**

Mr. Stephen Pierce is the Public Communications Officer for the County of Solano, a position he has held since May 2007. As part of his duties in the County Administrator's Office, he manages the County's economic development initiatives, which include the Community Development Block Grant Economic Assistance funded programs.

Mr. Pierce has 26 years of experience in public affairs, journalism and marketing, including serving as a public affairs technician in the United States Air Force, the associate business editor for the Daily Republic newspaper in Fairfield, Calif., and the marketing director for the non-appropriated fund activities on Travis Air Force Base.

He holds an Associate of Science degree in Public Affairs from the Community College of the Air Force, a Bachelor of Science degree in industrial technology from Southern Illinois University at Carbondale and is nearing completion of a Master of Public Administration from Golden Gate University.

**Charles D. Eason**  
**5156 Renaissance Court**  
**Fairfield, CA 94534**  
**(707) 863-9015**

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**Experience:**

**Director, Solano College Small Business Development Center (June, 2002 - Present)**

Managed a staff of 14 business consultants at a center which assists over 400 entrepreneurs per year in starting or expanding their businesses. This included providing consulting and training to businesses in the areas of debt and equity financing, intellectual property, technology commercialization, accounting, marketing, government procurement, and business planning. Provided specialized consulting in the area of Small Business Innovation and Research (SBIR) and Small Business Technology Transfer (STTR) funding. Managed grants from the California Technology Trade & Commerce Agency, Small Business Administration, Chancellor's Office, and local funding sources.

**Associate Director, ED>Net (2001 to 2002)**

Coordinated the Economic Development Network of the California Community College System which included the Small Business Development Centers, Centers for Applied Competitive Technologies, Centers for International Trade Development, Advanced Transportation Technology Centers, Biotech Centers, and other economic development programs. Responsible for planning annual ED>Net Conference with over 300 attendees. Managed budget of approximately \$1 million with a staff of six full-time employees.

**Dean, Napa Valley College Upper Valley Campus (2000 to 2001)**

Responsible for managing all operations of the Napa Valley College Upper Valley Campus and directing the community education program which includes non-credit, fee-based classes, trips and tours program, writer's conference, a professional cooking school, and the Small Business Development Center. Responsible for managing a staff of eight administrative/clerical personnel and over one hundred part-time instructors.

**Director, Napa Valley College Small Business Development Center (1997 to 2000)**

Managed a staff of 10 business consultants at a center which assists over 250 entrepreneurs per year in starting or expanding their businesses. This included providing consulting and training to businesses in the areas of debt and equity financing, financial management, accounting, marketing, government procurement, SBIR, and business planning. Managed grants for center operation from the California Technology Trade & Commerce Agency, Small Business Administration, and other local funding sources.

**Manager of the Inland Empire Business Incubator (1995 to 1997)**

Launched from scratch and managed the small business incubator located at the former Norton AFB. Was responsible for all day-to-day operations, incubator policy development, lease negotiations, grant writing, marketing, and facility management. Managed the San Bernardino Satellite Office of the Inland Empire Small Business Development Center (SBDC). Conducted workshops and provided consulting on a variety of topics related to small business planning and operations. Incubator clients included an aerospace startup firm, GIS firm, biotech startup firm, and several computer services firms. Position also required extensive interaction with the Incubator Advisory Board, SBDC Advisory Board, and Sponsoring Agency's Governing Board.

## Experience Continued

### **Business Broker with Swords Business Sales**

**(1993 – 1995)**

Assisted small business owners in the sale of their businesses. This included assisting in negotiations between buyers and sellers, valuing businesses, critiquing business plans, assisting with financing options, negotiating leases, and guiding transactions through the bulk sale escrow process.

### **CEO, OPTEMA Development Corporation**

**(1989 – 1994 & 2005-2009)**

Conducted research and development of a new construction technology under a National Science Foundation Small Business Technology Transfer program. Formerly a developer of local real estate and commercial projects. Projects included spec homes, a national “Angel Financing” newsletter, and a small chain of gourmet coffee houses.

### **System Engineer (MTS II) with TRW Ballistic Missile Division**

**(1987 – 1991)**

Provided technical support to the Air Force on a System Engineering and Technical Assistance contract for the Ballistic Missile Program. Worked configuration management and assembly/checkout for Rail Garrison and Small ICBM missile programs. Performed scheduling activities, oversaw subcontractor activities, managed the reentry/retrofit program for the Peacekeeper Missile Program. Tracked and briefed TRW and Air Force personnel on multi-tier project schedules for the Ballistic Missile Program.

Engineering Aide with GEA San Diego, 1986 to 1987.

Engineering Aide TRW, Summer of 1986.

Engineering Aide, Norton AFB Civil Engineering, Summer of 1985.

## **Computer Skills:**

Proficient in many computer applications (Microsoft Office, QuickBooks, MS Project). Programming experience in C++, Pascal, Fortran, and Basic. Knowledge of GIS methodologies and data structures.

## **Education:**

Masters in Business Administration (Marketing)

California State University San Bernardino, March 1991

Bachelor of Science in Engineering Sciences

University of California San Diego, December 1986.

Minors in Mathematics and Economics.

California Department of Real Estate Brokers License

(Business Broker)

Lumblau School of Real Estate, Riverside CA 1993

Geographic Information Systems (GIS) Certificate Program

U.C. Riverside Extension Program, 1992 (two classes to complete certificate)

## **Professional: Memberships**

Association of California Community College Administrators (ACCCA)

California Association for Local Economic Development (CALED)

Solano Economic Development Corporation (EDC) Marketing Task Force Member

Benicia, Dixon, Fairfield/Suisun, Vacaville, Vallejo Chambers of Commerce

Former member of Napa County Workforce Investment Board

Former Member of National Federation of Independent Businesses (NFIB)

Former Member of the National Business Incubation Association (NBIA)

Former Member of California Business Incubator Network (CBIN)

Former Member and Founder of the Norton Area Business Association

## **Awards:**

2004 ASBDC State Star for Northern California SBDC

2005 ASBDC State Star for Northern California SBDC

## **b) Individuals Performing Technical Assistance and Loan Fund Underwriting**

**Charles Eason**, the Director of the Solano College SBDC, has over 15 years of experience with the SBDC program. Prior to his position as Director of the Solano College SBDC, Mr. Eason was Associate Director ED>Net where he worked on economic development at the state level. Mr. Eason has served as the past Chair of the Statewide Small Business Programs Committee for the California Community College Economic and Workforce Development Program. Mr. Eason has counseled hundreds of small businesses during his career as Director of the SBDC.

In addition, the Center employs 23 part-time independent contractor business advisors. The business advisors have varied areas of specialty, such as financing, marketing, accounting, bookkeeping, government procurement, etc. These business advisors are “been there, done that” individuals who either own their own businesses or have owned a business in the past. Many of the SBDC consultants also possess MBAs or other advanced degrees.

The Solano College Small Business Development Center was established in 1988 to offer training and counseling to small businesses in Solano County. The Center is part of the national Small Business Development Center (SBDC) Program, which consists of over 1,100 Centers nationwide. Funding for the Center is provided through the Small Business Administration (SBA), the California Community College Economic and Workforce Development Program, the County of Solano, various cities and private partners. The core technical assistance programs provided by the Center include the following:

### **Training:**

- **Workshops:** The Center offers over 100 short-term workshops annually on small business topics such as business startup, business planning, financing, basic bookkeeping, government procurement, marketing, and other specialized small business topics. These short-term workshops are typically 2-3 hours in length and designed to provide entrepreneurs the practical knowledge. The Center has been averaging about 1,000 participants per year (see table in section 2 below).
- **In-Depth Entrepreneurial Training:** In addition to the short-term workshops, the Center offer a 10-week, 40-hour NxLevel Entrepreneurial Training Program designed to help entrepreneurs develop a thorough business plan. As part of the NxLevel Training, each entrepreneur is assigned a consultant to assist in any homework assignments and to guide them through the process of writing a business plan. Guest speakers are also brought in, as industry experts, to provide information on specific topics such as insurance, credit, financing, customer service, etc. To date, over 600 entrepreneurs have graduated from the NxLevel program.

**One-on-one Counseling:** The Center offers free confidential one-on-one counseling services to entrepreneurs in the areas of business startup, business planning, marketing, basic bookkeeping, accounting, financing, government procurement, and other small business topics. A team of twelve independent contractor consultants with various areas of expertise are available to meet with clients. A scope of work is developed with the client to identify the entrepreneur’s needs and the type of assistance required. The Center

has been averaging about 370 clients per year for one-on-one counseling. Client progress is tracked using a case management system.

**Information Dissemination and Referrals:** The Center maintains a resource library and reference materials that entrepreneurs can access. Library materials can be checked out by the client. Resources include Nolo Press books, Entrepreneur Magazine Startup Kits, etc.

For the past three years, the Center has been averaging 1,000 people per year in the training programs and 350 one-on-one counseling cases. A majority of the Center's clients fall into the category of micro-enterprises and have fewer than five employees and less than \$500,000 in sales. Below is a summary of clients served for 2009, 2010 and 2011:

	2009	2010	2011
<b>Training</b>			
Minorities	286	278	234
Women	634	601	490
Veterans	83	52	35
Disabled Veterans	15	11	3
<b>Counseling</b>			
Women	135	127	87
American Indian	10	10	6
Asian	35	21	25
African American	66	64	72
Pacific Islander	10	10	5
Hispanic	46	46	40
Veteran	40	24	13
Disabled Veteran	8	9	8

	2009	2010	2011
<b><u>Counseling</u></b>			
Cases	347	348	333
Hours	1,805	1,666	1,859
<b><u>Training</u></b>			
Events	99	89	93
Attendees	1,202	1,156	993

### **c) Certifications**

Charles Eason, Director of the Solano College SBDC has completed the following training and certification programs:

- National Development Council (NDC)
  - ED 405 Revolving Loan funds and CDBG Compliance
  - ED 100 Business Credit Analysis Concepts
  - ED 202 Real Estate Finance
  - Business Plans and Entrepreneurs: Separating the Weak from the Strong
- Northern California SBDC Business Advisor General Certification
- ASBDC Technology Counselor Certification
- Profit Mastery Certification
- NxLevel Entrepreneurial Training Program Facilitator Certification
- National Business Incubation Association (NBIA) Training Institute



## **Attachment F.           Program Operator Status**

The County of Solano has entered into a subrecipient agreement with the Solano College Small Business Development Center (SBDC) to be the Program Operator for the Microenterprise Technical Assistance Program (see subrecipient agreement attached below).

A separate subrecipient agreement will be entered into with a qualified underwriter to be the Program Operator for the Microenterprise Financial Assistance Loan Fund and the Business Financial Assistance Loan Fund (see draft subrecipient agreement below). Candidates include organizations such as the Oakland Business Development Center, TMC Working Solutions, SAFE-BIDC, NorCal FDC and other organizations with experience managing CDBG loan funds.

**SUB-RECIPIENT AGREEMENT BETWEEN  
COUNTY OF SOLANO  
AND  
SOLANO COLLEGE SMALL BUSINESS DEVELOPMENT CENTER  
FOR  
MICROENTERPRISE ASSISTANCE PROGRAM SERVICES**

THIS AGREEMENT (herein called the "Agreement"), entered this 4th day of April, 2012 by and between the County of Solano (herein called the "Grantee") and Solano College Small Business Development Center (herein called the "Sub-recipient").

WHEREAS, the Grantee has applied for and received funds from the State of California, Department of Housing and Community Development, State Community Development Block Grant Program ("the Department") originating from the United States Government under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383; and

WHEREAS, the Grantee wishes to engage the Sub-recipient to assist the Grantee in utilizing such funds;

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

**I. SCOPE OF SERVICE**

**A. Activities**

The Sub-recipient will be responsible for administering Microenterprise Assistance Program Services using CDBG grant funding under Solano County's 2012 application to the State of California Community Development Block Grant Program's Community Economic Enterprise Fund Component (attached as Exhibit A), in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant Program:

**Program Delivery**

Assistance to small businesses in Solano County per the program design and guidelines included in Solano County's 2012 application to the State of California Community Development Block Grant Program's Community Economic Enterprise Fund Component (attached as Exhibit B), which is incorporated into this agreement by reference, as well as any subsequent revisions thereto as may be necessary to meet CDBG requirements.

**General Administration**

Sub-recipient may charge general administration, supervision and management costs directly associated with provision of the above services. Indirect costs, or costs for items whose benefits are shared by programs other than the CDBG-funded program may not be charged to this grant without prior written approval of the Grantee and state CDBG program staff.

**Fundraising**

No costs or expenditures including, but not limited to, staff costs, supplies, advertising or other operating costs associated with fundraising activities may be charged to this grant.

**B. National Objectives**

The Sub-recipient certifies that the activities carried out with funds provided under this Agreement will meet one or more of the CDBG program's National Objectives - 1) benefit low/moderate income persons, 2) aid in the prevention or elimination of slums or blight, 3) meet community development needs having a particular urgency - as defined in 24 CFR Part 570.208.

**C. Levels of Accomplishment – Goals and Performance Measures**

In addition to the normal administrative services required as part of this Agreement, the Sub-recipient agrees to provide the following levels of program services:

Establish a Microenterprise Assistance Technical Assistance and Loan Program to assist in 60 business expansions and 30 business start-ups, providing assistance to a total of 90 Targeted Income Group (TIG) clients.

**D. Reporting Requirements**

Sub-recipient agrees to provide quarterly financial status reports and annual performance reports per forms and instructions provided by the Grantee. In addition to the information requested per each reporting form, with each financial status report, Sub-recipient shall submit the information listed below. The report period for this data shall coincide with the period of the financial status report with which the information is being submitted.

1. List of clients served by the program.
2. Client income level and source of income documentation.
3. Determination of TIG or non-TIG status.
4. Activities in which clients participated.
5. Calculation of allocated costs for group activities in which both TIG and non-TIG clients participated as documentation that CDBG funds were used for the exclusive benefit of TIG participants.
6. Other information as may be mutually agreed upon or required by CDBG.

**E. Performance Monitoring**

The Grantee will monitor the performance of the Sub-recipient against goals and performance standards required herein. Substandard performance as determined by the Grantee will constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by the Sub-recipient within a reasonable period of time after being notified by the Grantee, contract suspension or termination procedures will be initiated.

**II. TIME OF PERFORMANCE**

Services of the Sub-recipient shall start on the award date of the CDBG Enterprise Fund Grant (anticipated to be in September 1, 2012) and end on the 31<sup>st</sup> day of December, 2015. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Sub-recipient remains in control of CDBG funds or other CDBG assets, including program income.

**III. BUDGET**

**Grant Expenditures**

Sub-recipient shall expend grant funds only in support of the approved activities contained in this Agreement in accordance with the following general budget.

Microenterprise Technical Assistance	\$155,875.00
Microenterprise Technical Assistance Activity Delivery	\$25,507.00
Equipment	\$0.00
Other	\$0.00
TOTAL	\$183,382.00

No equipment purchases have been approved as part of this agreement.

No other expenditures are approved as part of this agreement.

**Indirect Costs**

Indirect costs may not be charged without prior written consent of the Grantee and state CDBG program staff and must be consistent with the conditions of Paragraph VIII (C) (2) of this Agreement. In addition, the Grantee may require a more detailed budget breakdown than the one

contained herein, and the Sub-recipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee. Any amendments to this budget must be approved in writing by the Grantee and the Sub-recipient.

#### **IV. PAYMENT**

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed \$183,382.00. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in Paragraph III of this Agreement and in accordance with performance. Expenses for general administration shall also be paid against the line item budgets specified in Paragraph III and in accordance with performance.

Payments may be contingent upon certification of the Sub-recipient's financial management system in accordance with the standards specified in 24 CFR 84.21.

#### **V. NOTICES**

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

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

##### Grantee    Sub-recipient

Stephen Pierce  
Public Communications Officer  
County of Solano  
675 Texas Street, Suite 6500  
Fairfield, CA 94533  
(707) 784-6122  
(707) 784-7985 Fax

Charles Eason  
Director  
Solano College SBDC  
360 Campus Lane, Suite 102  
Fairfield, CA 94534  
(707) 864-3382  
(707) 864-8025 Fax

#### **VI. GENERAL CONDITIONS**

##### **A. General Compliance**

The Sub-recipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart K of these regulations, except that (1) the Sub-recipient does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) the Sub-recipient does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Sub-recipient also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Sub-recipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. "Independent Contractor"

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

C. Hold Harmless

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

D. Workers' Compensation

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

E. Insurance & Bonding

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

Without limiting Sub-Recipient's obligation to indemnify the Grantee, Sub-Recipient must procure and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work under this Contract and the results of that work by Sub-Recipient, Sub-Recipient's agents, representatives, employees or subcontractors.

**Minimum Scope of Insurance**

Coverage must be at least as broad as:

- (1) Insurance Services Office Commercial General Liability coverage (occurrence Form CG 00 01).
- (2) Insurance Services Office Form Number CA 00 01 covering Automobile Liability, code 1 (any auto).
- (3) Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

**Minimum Limits of Insurance**

Sub-Recipient must maintain limits no less than:

General Liability: (Including operations, products and completed operations.)	\$5,000,000	per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
Automobile Liability:	\$1,000,000	per accident for bodily injury and property damage.
Workers' Compensation:		As required by the State of California.
Employer's Liability:	\$1,000,000	per accident for bodily injury or disease.

If Sub-Recipient maintains higher limits than the minimums shown above, Grantee is entitled

to coverage for the higher limits maintained by Sub-Recipient.

#### **Deductibles and Self-Insured Retentions**

Any deductibles or self-insured retentions must be declared to and approved by Grantee. At the option of Grantee, either:

- (1) The insurer will reduce or eliminate such deductibles or self-insured retentions with respect to Grantee, its officers, officials, agents, employees and volunteers; or
- (2) Sub-Recipient must provide a financial guarantee satisfactory to Grantee guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

#### **Other Insurance Provisions**

The general liability and automobile liability policies must contain, or be endorsed to contain, the following provisions:

- (1) The Grantee, its officers, officials, agents, employees, and volunteers must be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of Sub-Recipient; and with respect to liability arising out of work or operations performed by or on behalf of Sub-Recipient including materials, parts or equipment furnished in connection with such work or operations. General Liability coverage shall be provided in the form of an Additional Insured endorsement (CG 20 10 11 85 or equivalent) to Sub-Recipient's insurance policy, or as a separate owner's policy.
- (2) For any claims related to work performed under this Contract, Sub-Recipient's insurance coverage must be primary insurance with respect to the Grantee, its officers, officials, agents, employees, and volunteers. Any insurance or self-insurance maintained by Grantee, its officers, officials, agents, employees, or volunteers is excess of Sub-Recipient's insurance and shall not contribute to it.
- (3) Each insurance policy required by this clause must be endorsed to state that coverage may not be canceled by Sub-Recipient, except after 30 days prior written notice has been provided to Grantee.

#### **Waiver of Subrogation**

Sub-Recipient agrees to waive subrogation which any insurer of Sub-Recipient may acquire from Sub-Recipient by virtue of the payment of any loss. Sub-Recipient agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation.

The Workers' Compensation policy must be endorsed with a waiver of subrogation in favor of Grantee for all work performed by Sub-Recipient, its employees, agents and subcontractors.

#### **Acceptability of Insurers**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII unless otherwise acceptable to Grantee.

#### **Verification of Coverage**

Sub-Recipient must furnish Grantee with original certificates and endorsements effecting coverage required by this Contract.

The endorsements should be on forms provided by Grantee or, if on other than Grantee's forms, must conform to Grantee's requirements and be acceptable to Grantee.

Grantee must receive and approve all certificates and endorsements before work commences.

However, failure to do so shall not operate as a waiver of these insurance requirements.

Grantee reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

F. Grantee Recognition

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

G. Amendments

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

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

H. Suspension or Termination

In accordance with 24 CFR 85.43, the Grantee may suspend or terminate this Agreement if the Sub-recipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

- (1) Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
- (2) Failure, for any reason, of the Sub-recipient to fulfill in a timely and proper manner its obligations under this Agreement;
- (3) Ineffective or improper use of funds provided under this Agreement; or
- (4) Submission by the Sub-recipient to the Grantee reports that are incorrect or incomplete in any material respect.

In accordance with 24 CFR 85.44, this Agreement may also be terminated for convenience by either the Grantee or the Sub-recipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety.

## **VII. ADMINISTRATIVE REQUIREMENTS**

### **A. Financial Management**

#### **1. Accounting Standards**

The Sub-recipient agrees to comply with 24 CFR 84.21–28 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

#### **2. Cost Principles**

The Sub-recipient shall administer its program in conformance with OMB Circulars A-122, “Cost Principles for Non-Profit Organizations,” or A-21, “Cost Principles for Educational Institutions,” as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

#### **3. Cost Sharing**

Sub-recipient agrees to comply with the applicable sections of 24 CFR Part 85, “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,” and OMB Circular A-87.

### **B. Documentation and Record Keeping**

#### **1. Records to be Maintained**

The Sub-recipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a) Records providing a full description of each activity undertaken;
- b) Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c) Records required to determine the eligibility of activities;
- d) Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e) Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f) Financial records as required by 24 CFR 570.502, and 24 CFR 84.21–28; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

#### **2. Retention**

The Sub-recipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of the Grantee's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.



3. Client Data

The Sub-recipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request.

4. Disclosure

The Sub-recipient understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the Grantee's or Sub-recipient's responsibilities with respect to services provided under this contract, is not permitted unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Closeouts

The Sub-recipient's obligation to the Grantee shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Sub-recipient has control over CDBG funds, including program income.

6. Audits & Inspections

All Sub-recipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Sub-recipient within 30 days after receipt by the Sub-recipient. Failure of the Sub-recipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Sub-recipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning sub-recipient audits and OMB Circular A-133.

C. Reporting and Payment Procedures

1. Program Income

The Sub-recipient shall report quarterly all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the Sub-recipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Sub-recipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the Grantee at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the Grantee.

2. Indirect Costs

If indirect costs are charged, the Sub-recipient will develop an indirect cost allocation plan for determining the appropriate Sub-recipient's share of administrative costs and shall submit such plan to the Grantee for approval, in a form specified by the Grantee.

3. Payment Procedures

The Grantee will pay to the Sub-recipient funds available under this Agreement based upon information submitted by the Sub-recipient and consistent with any approved budget and Grantee policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Sub-recipient, and not to exceed actual cash requirements. Payments will be adjusted by the Grantee in accordance with advance fund and program income balances available in Sub-recipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Sub-recipient.

4. Progress Reports

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

D. Procurement

1. Compliance

The Sub-recipient shall comply with current Grantee policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the Grantee upon termination of this Agreement.

2. OMB Standards

Unless specified otherwise within this agreement, the Sub-recipient shall procure all materials, property, or services in accordance with the requirements of 24 CFR 84.40–48.

3. Travel

The Sub-recipient shall obtain written approval from the Grantee for any travel outside the County of Solano with funds provided under this Agreement.

E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 24 CFR Part 84 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. The Sub-recipient shall transfer to the Grantee any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
2. Real property under the Sub-recipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement [or such longer period of time as the Grantee deems appropriate]. If the Sub-recipient fails to use CDBG-assisted real property in a manner

that meets a CDBG National Objective for the prescribed period of time, the Sub-recipient shall pay the Grantee an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the Grantee. The Sub-recipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period [or such longer period of time as the Grantee deems appropriate].

3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Sub-recipient for activities under this Agreement shall be (a) transferred to the Grantee for the CDBG program or (b) retained after compensating the Grantee [an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment].

#### **VIII. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT**

The Sub-recipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. [The Grantee may preempt the optional policies.]

The Sub-recipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) who are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project. The Sub-recipient also agrees to comply with applicable Grantee ordinances, resolutions and policies concerning the displacement of persons from their residences.

#### **IX. PERSONNEL & PARTICIPANT CONDITIONS**

##### **A. Civil Rights**

##### **1. Compliance**

The Sub-recipient agrees to comply with all applicable federal, state and local civil rights laws, including the Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

##### **2. Nondiscrimination**

The Sub-recipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

##### **3. Land Covenants**

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other

transfer of land acquired, cleared or improved with assistance provided under this contract, the Sub-recipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States are beneficiaries of and entitled to enforce such covenants. The Sub-recipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Sub-recipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The Grantee shall provide the Sub-recipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Approved Plan

The Sub-recipient agrees that it shall be committed to carry out the principles as provided in President's Executive Order 11246 of September 24, 1966.

2. Women- and Minority-Owned Businesses (W/MBE)

The Sub-recipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Sub-recipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

The Sub-recipient shall furnish and cause each of its own sub-recipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The Sub-recipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Sub-recipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Sub-recipient will, in all solicitations or advertisements for employees placed by or on behalf of the Sub-recipient, state that it is an Equal Opportunity or Affirmative Action employer.

6. Subcontract Provisions

The Sub-recipient will include the provisions of Paragraphs X.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own sub-recipients or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The Sub-recipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. Labor Standards

The Sub-recipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Sub-recipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Sub-recipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.

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

“Section 3” Clause

- a) Compliance: Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the Grantee, the Sub-recipient and any of the Sub-recipient's sub-recipients and subcontractors. Failure to fulfill these requirements shall subject the Grantee, the Sub-recipient and any of the Sub-recipient's sub-recipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Sub-recipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

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

“The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located.”

The Sub-recipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

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

- b) Notifications: The Sub-recipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and

shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

- c) Subcontracts: The Sub-recipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Sub-recipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Sub-recipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the Sub-recipient from the Grantee under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Subcontracts

- a) Approvals: The Sub-recipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the Grantee prior to the execution of such agreement.
- b) Monitoring: The Sub-recipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.
- c) Content: The Sub-recipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.
- d) Selection Process: The Sub-recipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

3. Hatch Act

The Sub-recipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

4. Conflict of Interest

The Sub-recipient agrees to abide by the provisions of 24 CFR 84.42 and 570.611, which include (but are not limited to) the following:

- a) The Sub-recipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.

- b) No employee, officer or agent of the Sub-recipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c) No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, 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 in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the Sub-recipient, or any designated public agency.

5. Lobbying

The Sub-recipient certifies that:

- a) No Federal appropriated funds have been paid or will be paid, by or on behalf of it, 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 the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- b) 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 of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
- c) It will require that the language of paragraph (d) 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 Sub-recipients shall certify and disclose accordingly:
- d) Lobbying Certification  
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.C. 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.

6. Copyright

If this contract results in any copyrightable material or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.



7. Religious Activities

The Sub-recipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

**X. ENVIRONMENTAL CONDITIONS**

A. Air and Water

The Sub-recipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C. , 7401, *et seq.*;
- Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Sub-recipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The Sub-recipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The Sub-recipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

**XI. SEVERABILITY**

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

**XII. SECTION HEADINGS AND SUBHEADINGS**

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

**XIII. WAIVER**

The Grantee's failure to act with respect to a breach by the Sub-recipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

**XIV. ENTIRE AGREEMENT**

This agreement constitutes the entire agreement between the Grantee and the Sub-recipient for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the Grantee and the Sub-recipient with respect to this Agreement.

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Jowel C. Laguerre, Ph.D.  
Superintendent/President, Solano College  
Small Business Development Center  
360 Campus Lane, Suite 102  
Fairfield, CA 94534

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Birgitta E. Corsello  
County Administrator  
County of Solano  
675 Texas Street, Suite 6500  
Fairfield, CA 94533

## **EXHIBIT A**

### **CDBG Standard Contract**

1. This sub-recipient agreement is contingent on the County of Solano receiving the anticipated funding outlined in its application for 2012 Community Development Block Grant Economic Assistance to fund Microenterprise Technical Assistance Services.
2. It is anticipated that the County will receive notification of intent to award funding by July 2012 and the County will have completed the CDBG Standard Contract by September 2012.
3. The completed CDBG Standard Contract will be incorporated into this Exhibit as if fully set forth in this Exhibit once the Grantee receives final approval and the CDBG Standard Contract is executed.

**DRAFT SUB-RECIPIENT AGREEMENT**  
**AGREEMENT BETWEEN COUNTY OF SOLANO**  
**AND**  
**TBD LOAN PROGRAM OPERATOR**  
**FOR**  
**BUSINESS ASSISTANCE PROGRAM SERVICES**

THIS AGREEMENT (herein called the "Agreement"), entered this 4th day of April, 2012 by and between the County of Solano (herein called the "Grantee") and TBD Loan Fund Operator (herein called the "Sub-recipient").

WHEREAS, the Grantee has applied for and received funds from the State of California, Department of Housing and Community Development, State Community Development Block Grant Program ("the Department") originating from the United States Government under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383; and

WHEREAS, the Grantee wishes to engage the Sub-recipient to assist the Grantee in utilizing such funds;

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

**II. SCOPE OF SERVICE**

**A. Activities**

The Sub-recipient will be responsible for administering Microenterprise Financial Assistance and Business Financial Assistance Program Services using CDBG grant funding under **CDBG Grant No. 12-EDEF-XXXX** (attached as Exhibit A), in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant Program:

**Program Delivery**

The Sub-recipient will provide processing of microloan and business assistance applications, packaging and underwriting of loans for submission to the County of Solano CDBG Loan Review Committee, closing loans, and servicing loans per the program design and guidelines associated with CDBG grant funding under **CDBG Grant No. 08-EDEF-5892** (attached as Exhibit B), which is incorporated into this agreement by reference, as well as any subsequent revisions thereto as may be necessary to meet CDBG requirements.

**General Administration**

Sub-recipient may charge general administration, supervision and management costs directly associated with provision of the above services. Indirect costs, or costs for items whose benefits are shared by programs other than the CDBG-funded program may not be charged to this grant without prior written approval of the Grantee and state CDBG program staff.

### **Fundraising**

No costs or expenditures including, but not limited to, staff costs, supplies, advertising or other operating costs associated with fundraising activities may be charged to this grant.

#### **B. National Objectives**

The Sub-recipient certifies that the activities carried out with funds provided under this Agreement will meet one or more of the CDBG program's National Objectives - 1) benefit low/moderate income persons, 2) aid in the prevention or elimination of slums or blight, 3) meet community development needs having a particular urgency - as defined in 24 CFR Part 570.208.

#### **C. Levels of Accomplishment – Goals and Performance Measures**

In addition to the normal administrative services required as part of this Agreement, the Sub-recipient agrees to provide the following levels of program services:

Manage Microenterprise Financial Assistance and Business Financial Assistance Loan Programs to provide \$80,000 in microenterprise loans and \$78,625 in Business Assistance loans to eligible businesses in the cities of Benicia, Dixon, Rio Vista, Suisun City and unincorporated areas of Solano County.

#### **D. Reporting Requirements**

Sub-recipient agrees to provide quarterly financial status reports and annual performance reports per forms and instructions provided by the Grantee. In addition to the information requested per each reporting form, with each financial status report, Sub-recipient shall submit the information listed below. The report period for this data shall coincide with the period of the financial status report with which the information is being submitted.

7. List of clients served by the program.
8. Client income level and source of income documentation.
9. Determination of TIG or non-TIG status.
10. Activities in which clients participated.
11. Calculation of allocated costs for group activities in which both TIG and non-TIG clients participated as documentation that CDBG funds were used for the exclusive benefit of TIG participants.
12. Other information as may be mutually agreed upon or required by CDBG.

#### **E. Performance Monitoring**

The Grantee will monitor the performance of the Sub-recipient against goals and performance standards required herein. Substandard performance as determined by the Grantee will constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by the Sub-recipient within a reasonable period of time after being notified by the Grantee, contract suspension or termination procedures will be initiated.

## **II. TIME OF PERFORMANCE**

Services of the Sub-recipient shall start on the award date of the CDBG Enterprise Fund Grant (anticipated to be in September, 2012) and end on the 31<sup>st</sup> day of December, 2015. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Sub-recipient remains in control of CDBG funds or other CDBG assets, including program income.

### **III. BUDGET**

#### **Grant Expenditures**

Sub-recipient shall expend grant funds only in support of the approved activities contained in this Agreement in accordance with the following general budget.

Microenterprise Financial Assistance Activity Delivery	\$14,118.00
Business Financial Assistance Activity Delivery	\$13,875.00
Equipment	\$0.00
Other	\$0.00
TOTAL	\$27,993.00

No equipment purchases have been approved as part of this agreement.

No other expenditures are approved as part of this agreement.

#### **Indirect Costs**

Indirect costs may not be charged without prior written consent of the Grantee and state CDBG program staff and must be consistent with the conditions of Paragraph VIII (C) (2) of this Agreement. In addition, the Grantee may require a more detailed budget breakdown than the one contained herein, and the Sub-recipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee. Any amendments to this budget must be approved in writing by the Grantee and the Sub-recipient.

### **IV. PAYMENT**

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed \$197,500.00. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in Paragraph III herein and in accordance with performance. Expenses for general administration shall also be paid against the line item budgets specified in Paragraph III and in accordance with performance.

Payments may be contingent upon certification of the Sub-recipient's financial management system in accordance with the standards specified in 24 CFR 84.21.

### **V. NOTICES**

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be

addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

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

Grantee Sub-recipient

Stephen Pierce  
Public Communications Officer  
County of Solano  
675 Texas Street, Suite 6500  
Fairfield, CA 94533  
(707) 784-6122  
(707) 784-7985 Fax

TBD

**VI. SPECIAL CONDITIONS**

The Sub-recipient agrees to comply with the Terms and Conditions outlined in Exhibit D. For the purposes of Exhibit D, "County" shall mean Grantee and "Contractor" shall mean the Sub-recipient. To the extent that Exhibit D conflicts with this Agreement, this Agreement shall prevail.

**VII. GENERAL CONDITIONS**

A. General Compliance

The Sub-recipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart K of these regulations, except that (1) the Sub-recipient does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) the Sub-recipient does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Sub-recipient also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Sub-recipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. "Independent Contractor"

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

C. Hold Harmless

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

D. Workers' Compensation

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

E. Insurance & Bonding

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

The Sub-recipient shall comply with the bonding and insurance requirements of Section 7 of Exhibit D and 24 CFR 84.31 and 84.48, Bonding and Insurance.

F. Grantee Recognition

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

G. Amendments

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

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

H. Suspension or Termination

In accordance with 24 CFR 85.43, the Grantee may suspend or terminate this Agreement if the Sub-recipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:



1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason, of the Sub-recipient to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement; or
4. Submission by the Sub-recipient to the Grantee reports that are incorrect or incomplete in any material respect.

In accordance with 24 CFR 85.44, this Agreement may also be terminated for convenience by either the Grantee or the Sub-recipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety.

## **VIII. ADMINISTRATIVE REQUIREMENTS**

### **A. Financial Management**

#### **4. Accounting Standards**

The Sub-recipient agrees to comply with 24 CFR 84.21–28 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

#### **5. Cost Principles**

The Sub-recipient shall administer its program in conformance with OMB Circulars A-122, “Cost Principles for Non-Profit Organizations,” or A-21, “Cost Principles for Educational Institutions,” as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

### **B. Documentation and Record Keeping**

#### **1. Records to be Maintained**

The Sub-recipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- g) Records providing a full description of each activity undertaken;
- h) Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;

- i) Records required to determine the eligibility of activities;
- j) Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- k) Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- l) Financial records as required by 24 CFR 570.502, and 24 CFR 84.21–28; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

## 2. Retention

The Sub-recipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of the Grantee's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

## 3. Client Data

The Sub-recipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request.

## 4. Disclosure

The Sub-recipient understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the Grantee's or Sub-recipient's responsibilities with respect to services provided under this contract, is not permitted unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

## 5. Closeouts

The Sub-recipient's obligation to the Grantee shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records. Notwithstanding the foregoing,

the terms of this Agreement shall remain in effect during any period that the Sub-recipient has control over CDBG funds, including program income.

6. Audits & Inspections

All Sub-recipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Sub-recipient within 30 days after receipt by the Sub-recipient. Failure of the Sub-recipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Sub-recipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning sub-recipient audits and OMB Circular A-133.

C. Reporting and Payment Procedures

1. Program Income

The Sub-recipient shall report quarterly all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the Sub-recipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Sub-recipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the Grantee at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the Grantee.

2. Indirect Costs

If indirect costs are charged, the Sub-recipient will develop an indirect cost allocation plan for determining the appropriate Sub-recipient's share of administrative costs and shall submit such plan to the Grantee for approval, in a form specified by the Grantee.

3. Payment Procedures

The Grantee will pay to the Sub-recipient funds available under this Agreement based upon information submitted by the Sub-recipient and consistent with any approved budget and Grantee policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Sub-recipient, and not to exceed actual cash requirements.

Payments will be adjusted by the Grantee in accordance with advance fund and program income balances available in Sub-recipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Sub-recipient.

4. Progress Reports

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

D. Procurement

1. Compliance

The Sub-recipient shall comply with current Grantee policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the Grantee upon termination of this Agreement.

2. OMB Standards

Unless specified otherwise within this agreement, the Sub-recipient shall procure all materials, property, or services in accordance with the requirements of 24 CFR 84.40–48.

3. Travel

The Sub-recipient shall obtain written approval from the Grantee for any travel outside the County of Solano with funds provided under this Agreement.

E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 24 CFR Part 84 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. The Sub-recipient shall transfer to the Grantee any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
2. Real property under the Sub-recipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement [or such longer period of time as the Grantee deems appropriate]. If the Sub-recipient fails to

use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Sub-recipient shall pay the Grantee an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the Grantee. The Sub-recipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period [or such longer period of time as the Grantee deems appropriate].

3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Sub-recipient for activities under this Agreement shall be (a) transferred to the Grantee for the CDBG program or (b) retained after compensating the Grantee [an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment].

#### **IX. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT**

The Sub-recipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. [The Grantee may preempt the optional policies.]

The Sub-recipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) who are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project. The Sub-recipient also agrees to comply with applicable Grantee ordinances, resolutions and policies concerning the displacement of persons from their residences.

#### **X. PERSONNEL & PARTICIPANT CONDITIONS**

##### **A. Civil Rights**

##### **4. Compliance**

The Sub-recipient agrees to comply with all applicable federal, state and local civil rights laws, including the Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

##### **5. Nondiscrimination**

The Sub-recipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

6. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this contract, the Sub-recipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States are beneficiaries of and entitled to enforce such covenants. The Sub-recipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Sub-recipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The Grantee shall provide the Sub-recipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Approved Plan

The Sub-recipient agrees that it shall be committed to carry out the principles as provided in President's Executive Order 11246 of September 24, 1966.

2. Women- and Minority-Owned Businesses (W/MBE)

The Sub-recipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The

Sub-recipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

The Sub-recipient shall furnish and cause each of its own sub-recipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The Sub-recipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Sub-recipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Sub-recipient will, in all solicitations or advertisements for employees placed by or on behalf of the Sub-recipient, state that it is an Equal Opportunity or Affirmative Action employer.

6. Subcontract Provisions

The Sub-recipient will include the provisions of Paragraphs X.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own sub-recipients or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The Sub-recipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. Labor Standards

The Sub-recipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state and local laws and regulations pertaining to

labor standards insofar as those acts apply to the performance of this Agreement. The Sub-recipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Sub-recipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.

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

“Section 3” Clause

- a) Compliance: Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the Grantee, the Sub-recipient and any of the Sub-recipient's sub-recipients and subcontractors. Failure to fulfill these requirements shall subject the Grantee, the Sub-recipient and any of the Sub-recipient's sub-recipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Sub-recipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

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

“The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded



to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located.”

The Sub-recipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

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

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

#### D. Conduct

##### 1. Assignability

The Sub-recipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto; provided, however, that

claims for money due or to become due to the Sub-recipient from the Grantee under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

3. Subcontracts

- a) Approvals: The Sub-recipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the Grantee prior to the execution of such agreement.
- b) Monitoring: The Sub-recipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.
- c) Content: The Sub-recipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.
- d) Selection Process: The Sub-recipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

3. Hatch Act

The Sub-recipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

4. Conflict of Interest

The Sub-recipient agrees to abide by the provisions of 24 CFR 84.42 and 570.611, which include (but are not limited to) the following:

- a) The Sub-recipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- b) No employee, officer or agent of the Sub-recipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c) No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, 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 in

any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a “covered person” includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the Sub-recipient, or any designated public agency.

5. Lobbying

The Sub-recipient hereby certifies that:

- a) No Federal appropriated funds have been paid or will be paid, by or on behalf of it, 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 the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- b) 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 of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions; and
- c) It will require that the language of paragraph (d) 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 Sub-recipients shall certify and disclose accordingly:
- d) Lobbying Certification

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.C. 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.

6. Copyright

If this contract results in any copyrightable material or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-exclusive and

irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7. Religious Activities

The Sub-recipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

**XI. ENVIRONMENTAL CONDITIONS**

A. Air and Water

The Sub-recipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C. , 7401, *et seq.*;
- Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Sub-recipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The Sub-recipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The Sub-recipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

**XII. SEVERABILITY**

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

**XIII. SECTION HEADINGS AND SUBHEADINGS**

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

**XIV. WAIVER**

The Grantee's failure to act with respect to a breach by the Sub-recipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

**XV. ENTIRE AGREEMENT**

This agreement constitutes the entire agreement between the Grantee and the Sub-recipient for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the Grantee and the Sub-recipient with respect to this Agreement.

*[NOTE: For the above sections, if the Sub-recipient is a governmental or quasi-governmental agency, the applicable sections of 24 CFR Part 85, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," and OMB Circular A-87 would apply.]*

**Attachment G.        Debarment Eligibility Documentation**

EPLS Search Results

Page 1 of 1

**EPLS**

Excluded Parties List System

**Search Results Excluded By  
Firm, Entity, or Vessel : County of Solano  
Firm, Entity, or Vessel : Solano County  
Individual : Stephen Pierce  
as of 14-Mar-2012 12:18 PM EDT**

---

**Your search returned no results.**

[https://www.epls.gov/eplsearch.do?last0=Pierce&first0=Stephen&full\\_name3=County+o...](https://www.epls.gov/eplsearch.do?last0=Pierce&first0=Stephen&full_name3=County+o...) 3/14/2012

**EPLS**

Excluded Parties List System

**Search Results Excluded By**  
**Firm, Entity, or Vessel : Solano College**  
**Firm, Entity, or Vessel : Solano Community College**  
**Firm, Entity, or Vessel : Solano College SBDC**  
**Individual : Charles Eason**  
**as of 14-Mar-2012 12:20 PM EDT**

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**Your search returned no results.**

[https://www.epls.gov/eplis/search.do?last0=Eason&first0=Charles&full\\_name3=Solano+C...](https://www.epls.gov/eplis/search.do?last0=Eason&first0=Charles&full_name3=Solano+C...) 3/14/2012

**ATTACHMENT H: DESIGN HEARING DOCUMENTATION  
COUNTY ADMINISTRATOR'S OFFICE**

**BIRGITTA E. CORSELLO**  
COUNTY ADMINISTRATOR  
COUNTY OF SOLANO



COUNTY ADMINISTRATOR'S OFFICE  
675 TEXAS STREET, SUITE 6500  
FAIRFIELD, CALIFORNIA 94533-6342  
(707) 784-6100  
FAX (707) 784-7975  
[www.solanocounty.com](http://www.solanocounty.com)

**PUBLIC HEARING FOR POSSIBLE STATE CDBG APPLICATION**

**February 27, 2012**

**Agenda**

- I. Explanation of the CDBG program
- II. Discussion of the National Objectives of the CDBG Program
- III. Funding available
- IV. Range of possible activities that may be undertaken with CDBG funds
- V. Opportunity for attendees to ask questions and suggest possible uses of funds

The Public Hearing was held on Feb. 27, 2012 from 5 to 7 p.m. in the County Administration Center. In attendance were Stephen Pierce, County Administrator's Office, and Charles Eason, Small Business Development Center. No members of the public participated by making comments at the meeting, or by providing comments prior or after the meeting by telephone, e-mail or mail.

Stephen Pierce



PROOF OF PUBLICATION  
(2015.5 C.C.P.)

STATE OF CALIFORNIA  
County of Solano

I am a citizen of the United States and a resident of Solano County. I am over the age of eighteen years and not a party to, or interested in, this Legal or Public Notice matter. I am the principal Legal Advertising Clerk for the

DAILY REPUBLIC  
1250 Texas Street  
P.O. Box 47  
Fairfield, CA 94533

a newspaper of general circulation printed and published mornings, daily and Sunday, in the City of Fairfield, County of Solano, which has been adjudged a newspaper of general circulation by the Superior Court of the County of Solano, State of California, Case Number 25875, on June 30, 1952.

I certify under penalty of perjury that the attached Legal or Public Notice has been published in each regular and entire issue of the Daily Republic, and not in any supplement, on the following date(s):

February 18,  
in the year: 2012

By: Donna Jacobs

Donna Jacobs, Legal Advertising Clerk

Date: February 20, 2012

This Space For Filing Stamp

NOTICE OF PUBLIC HEARING FOR POSSIBLE STATE CDBG APPLICATION

NOTICE IS HEREBY GIVEN that County of Solano will conduct a public hearing on Monday, February 27, 2012 from 5:00 p.m. to 7:00 p.m. at the County Administration Center, Room 168, 675 Texas Street, in Fairfield, California. In order to discuss possible applications for funding under the next fiscal year's (July 1 to June 30) State Community Development Block Grant (CDBG) Program and to solicit citizen input on possible activities to be included in these applications. The Community Development and Economic Development Allocations of the State CDBG program publishes a combined "Notice of Funding Availability" (NOFA) each program year. Eligible cities and counties may submit applications for CDBG funds under the NOFA. It is estimated that up to \$2,000,000 will be available in total. The Economic Development "Over-the-Counter" (OTC) Allocation requires a separate application with a maximum limit of \$3,000,000 per year.

ELIGIBLE ACTIVITIES UNDER THE ABOVE ALLOCATIONS IN THE NOFA CONSIST OF:

- Homeownership assistance and housing rehabilitation programs;
- Public facility and public improvements projects (including public improvements in support of new housing construction);
- Public service programs, planning studies, economic development business assistance and microenterprise activities.

ELIGIBLE ACTIVITIES PAID FOR WITH STATE CDBG FUNDS MUST MEET ONE OR MORE OF THE THREE NATIONAL OBJECTIVES LISTED IN CDBG FEDERAL STATUTES AS FOLLOWS:

- Benefit to low-income households or persons;
- Elimination of slums and blight;
- Or meeting urgent community development need.

The County of Solano anticipates submitting an application under the NOFA published during the next program year.

The purpose of this public hearing is to give citizens an opportunity to make their comments known regarding what types of eligible activities the County of Solano should apply for under the State CDBG program. A separate public hearing will be held to discuss and approve the application prior to submittal to the State.

If you require special accommodations to participate in the public hearing, please contact Stephen Pierce at (707) 784-6122.

If you are unable to attend the public hearing, you may direct written comments to the Stephen Pierce, County of Solano, 675 Texas Street, Suite 6500, Fairfield, CA 94533, or you may telephone Stephen Pierce at (707) 784-6122. In addition, information is available for review at the above address between the hours of 8:00 a.m. to 5:00 p.m. Monday through Friday.

The County of Solano promotes fair housing and makes all its programs available to low- and moderate-income families regardless of age, race, color, religion, sex, national origin, sexual preference, marital status or handicap.

DR#24561358  
Published: February 18, 2012

**NOTICE OF PUBLIC HEARING FOR PROPOSED STATE CDBG APPLICATION**

NOTICE IS HEREBY GIVEN that the Board of Supervisors will conduct a **public hearing on Tuesday, March 27, 2012 at 9 a.m., or reasonably thereafter, in the Board Chambers of the County Administration Center at 675 Texas Street in Fairfield, California**, to discuss an application for in funding under Fiscal Year 2012 State Community Development Block Grant (CDBG) Program and to solicit citizen input on the activities included in the application.

The County of Solano is applying for \$400,000 under the CDBG Business Assistance Program to conduct the following economic assistance programs serving the non-entitled cities of Benicia, Dixon, Rio Vista and Suisun City and unincorporated Solano County:

- Up to \$300,000 for a Microenterprise Technical Assistance Program and Microenterprise Financial Assistance (Loan) Program
- Up to \$100,000 for a Business Financial Assistance (Loan) Program

The purpose of this public hearing is to give citizens an opportunity to make their comments known regarding the proposed application that has been prepared for the Board of Supervisors approval. If you are unable to attend the public hearing, you may direct written comments in advance of the hearing to County Administrator's Office at 675 Texas St., Suite 6500, Fairfield, CA 94533, or you may telephone (707) 784-6122. In addition, a public information file is available for review at the above address between the hours of 8 a.m. and 5 p.m. on weekdays.

If you wish to attend this meeting and you will require assistance in order to participate, please call the Office of the Clerk of the Board of Supervisors at (707) 784-6100 at least 24 hours in advance of the March 27, 2012 meeting to make reasonable arrangements to ensure accessibility to this meeting.

The County of Solano promotes fair housing and makes all its programs available to low- and moderate-income families regardless of age, race, color, religion, sex, national origin, sexual preference, marital status or handicap.