

STAFF REPORT

Date: March 23, 2022

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: **B.6. Staff Report (For Possible Action): Approval of Subrecipient Agreement with Volunteers of America for Award of Coronavirus State and Local Recovery funds to support the acquisition of the Hi-Way 40 Motel, 1750 East Fourth Street, in the amount of \$2,000,000.**

From: Monica Cochran, Housing and Neighborhood Development Manager

Summary: On February 22, 2022, Council allocated \$2 million in Coronavirus State and Local Fiscal Recovery Fund (SLFRF) funds to Volunteers of America (VOA) to support the purchase and rehabilitation of the Hi-Way 40 Motel, which will become permanent affordable housing units. The funds awarded through the subrecipient agreement are for the purchase of the motel. VOA is securing additional funding to complete the rehabilitation of the property.

Previous Council Action:

February 22, 2022 – Council approved the allocation of \$2 million in SLFRF funds to VOA for the purchase and renovation of the Hi-Way 40 Motel.

January 26, 2022 – Council approved the allocation plan for the second tranche of SLFRF, which includes \$13 million for affordable housing projects.

Background: On March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA) of 2021 establishing the Coronavirus State and Local Fiscal Recovery Fund (SLFRF). The SLFRF allocates funding to state, county, and local governments to support efforts to recover from the impacts of the COVID-19 pandemic. The SLFRF allocated \$51,519,997 directly to the City of Reno to assist in response and recovery efforts related to the COVID-19 pandemic.

Discussion: The Hi-Way 40 Motel is located at 1750 East Fourth Street. It is a 35-room motel consisting of standard motel rooms, studios, and one-bedroom units. There is also one two-bedroom unit. VOA will purchase, rehabilitate, and manage the property, which will become permanent affordable housing units. The property is on a transit line and in close proximity to support services such as grocery, pharmacy, and medical clinics.

Financial Implications: Approving the \$2 million subrecipient agreement has no impact on the General Fund. The funds have been allocated from the City of Reno’s ARPA SLFRF funds.

Legal Implications: The awarded funds will be spent in compliance with the American Rescue Plan Act, Department of Treasury Final Rule, and City purchasing policies and procedures.

Recommendation: Staff recommends Council approve the Subrecipient Agreement with Volunteers of America for the award of SLFRF funds to support the acquisition of the Hi-Way 40 Motel in the amount of \$2,000,000, and authorize the City Manager to sign.

Proposed Motion: I move to approve staff recommendation.

Attachments:

- VOA ARPA E 4th St Agreement (PDF)

RESULT:	APPROVED BY CONSENT VOTE [UNANIMOUS]
MOVER:	Devon Reese, Councilmember
SECONDER:	Bonnie Weber, Councilmember
AYES:	Weber, Reese, Schieve, Brekhus, Duerr, Delgado, Jardon

Coronavirus State and Local Fiscal Recovery Funds

City of Reno Subrecipient Agreement

Project Name: East Fourth Street Village

SUBRECIPIENT AGREEMENT

THIS SUBRECIPIENT AGREEMENT (this "Agreement") is entered into this ____ day of _____, 2022, by and between the CITY OF RENO, NEVADA, a municipal corporation ("City"), and VOLUNTEERS OF AMERICA, GREATER SACRAMENTO AND NORTHERN NEVADA ("Subrecipient").

RECITALS

A. Subrecipient is a 501(c)(3) nonprofit corporation that provides specialized services relating to housing support services, specializing in retention and stabilization.

B. City has found Subrecipient qualified and experienced in the performance of said services and wishes to engage Subrecipient's services.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants, agreements and conditions set forth herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, City and Subrecipient agree as follows:

ARTICLE I. CITY REQUIREMENTS

1. CONSULTING SERVICES. The scope and timing of services to be performed by Subrecipient are set forth in Exhibit A, which is attached hereto and incorporated into this Agreement by this reference. No substantial changes in the scope of services shall be made without prior written approval of the City and Subrecipient. Changes in the scope of services resulting in additional services will be reimbursed as Subrecipient's hourly billing rates as set forth in Exhibit A, or alternatively, as set forth in an executed work order.

2. TERM OF AGREEMENT. By execution of this Agreement, the City grants to the Subrecipient specific authorization to proceed, upon written notice, with the services described in Section 1 of this Agreement, and shall continue until conclusion of services as authorized by the City, or until December 31, 2023, whichever comes first.

3. COMPENSATION, REIMBURSEMENT AND METHODS OF PAYMENT. The total cost to City for the performance of the Services set forth in Section 1 shall not exceed TWO MILLION DOLLARS AND NO CENTS (\$2,000,000.00). Subrecipient agrees to use its best efforts to perform the Services within such not-to-exceed amount ("NTE Amount"). If, at any time, Subrecipient has reason to believe that the total cost to City for the performance of the Services will be greater than NTE Amount, Subrecipient shall immediately notify City in writing to that effect, giving the revised estimate of such total cost for the performance of this Agreement. Subrecipient shall not be obligated to continue performance of the Services or otherwise to incur costs in excess of the NTE Amount set forth in this Agreement, unless and until City Attorney has notified Subrecipient in writing that such NTE Amount has been increased and shall have specified in such notice a revised estimated cost which shall thereupon constitute the estimated cost of performance of the Services. **In the absence of the specified written notice, City shall not be obligated to reimburse Subrecipient for any costs in excess of the NTE Amount set forth in this Agreement, whether or not those excess costs were incurred during the course of the Agreement.** When and to the extent that the NTE set forth in this Agreement has been increased, costs incurred by

Subrecipient in excess of the NTE prior to such increase shall be allowable to the same extent as if such costs had been incurred after the increase; unless City issues a termination or other notice and directs that the increase is solely for the purpose of covering termination or other specified expenses. No notice to proceed or other direction from City shall be considered an authorization to Subrecipient to exceed the NTE Amount set forth in this Agreement in the absence of a statement in the notice to proceed, or other Agreement modification, increasing the NTE Amount for the performance of this Agreement.

- (a) Fee Basis. Fees shall be charged on an hourly basis for all services rendered.
- (b) Monthly Invoices. Subrecipient shall submit to City monthly progress invoices based on the actual amount of services rendered, including costs and traveling expenses. Invoices shall be submitted to the City no later than five (5) days after the close of each month's billing cycle.
- (c) Invoice Requirements. As a condition precedent to any payment to Subrecipient under this agreement, Subrecipient shall submit monthly to the City:
 - (1) a statement of account which clearly sets forth by dates the designated items of work for which the billing is submitted; and,
- (d) City Payments. Subrecipient shall receive payments from the City based upon approved invoices within thirty (30) days of invoice postmark date.

4. **RETURN OF UNSPENT FUNDS TO THE CITY.** If applicable, Subrecipient agrees to return to the City the balance of any unspent funds by December 31, 2022.

5. **FUNDING OUT.** Notwithstanding any other provision of this agreement, in the event that the City has failed to appropriate or budget funds for the purposes specified in this agreement, or that the City has been required, in its sole judgment, to amend previous appropriations or budgeted amounts to eliminate or reduce funding for the purposes in this Agreement, or that the City fails to receive financial assistance allocated to the City by the State under The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, the City's obligation to fund any unpaid amounts shall be modified or eliminated in accordance with the City's appropriations or budget decision and the Agreement shall be deemed so modified or terminated without penalty, charge or sanction.

6. **SUBRECIPIENT PRINCIPAL IN CHARGE.** Leo McFarland shall be responsible for the performance of services described herein, and shall supervise any services performed by other members of Subrecipient's firm. It is understood that Subrecipient shall coordinate its services with the City Manager, or his designee.

7. **EMPLOYMENT OF OTHER SPECIALISTS OR EXPERTS.** Subrecipient shall not employ or otherwise incur an obligation to pay any other firm, specialist or expert for services in connection with this Agreement without prior written approval of the City Attorney, or her designee.

8. **INTEREST OF MEMBERS OF CITY.** No member of the governing body of the City, and no other officers, employees or agents of City who exercise any functions or responsibilities in connection with the carrying out of any project to which this agreement pertains, shall have any personal interest, direct or indirect, in this agreement.

9. **INTEREST OF SUBRECIPIENT.** Subrecipient (including principals, associates and professional employees) covenants that it does not now have any interest and shall not acquire any

interest, direct or indirect, in the area covered by any project of the City to which this agreement pertains, or any parcels therein, or any other interest which would conflict in any manner or degree with the performance of its services hereunder. Subrecipient further covenants that in the performance of its duties hereunder, no person having any such interest shall be employed.

10. **INSURANCE.** Subrecipient shall maintain comprehensive general liability insurance for limits of not less than one million dollars (\$1,000,000) for bodily injury and property damages, per occurrence. As evidence of liability insurance coverage, the City will accept certification of insurance issued by an authorized representative of the insurance carrier. Each certificate shall contain a 30-day written notice of cancellation to the certificate holder and shall name the City as an additional insured.

Subrecipient shall maintain during the term of this Agreement, and for a six year period after completion of the term of this Agreement, errors and omissions insurance in the amount of not less than One Million Dollars (\$1,000,000). As evidence of errors and omissions insurance coverage, the City will accept certification of insurance by an authorized representative of the insurance carrier. Each certificate will bear a thirty (30) day written notice of cancellation to the City. In addition, Subrecipient shall maintain during the term of this Agreement Worker's Compensation insurance covering the statutory liability as determined by the compensation laws of the State of Nevada. Subrecipient must also comply with all applicable state laws which require participation in any state workers' compensation fund.

11. **RECORDS.** Subrecipient's books, documents, papers and records ("records") specifically relating to this agreement shall be open to inspection and subject to audit, examination, excerpts and transactions, during working hours by the City, Reno City Attorney, the Reno Finance Department, or any of their duly authorized representatives at the expense of the City. Subrecipient shall maintain all records for five (5) years after the date of final payment and close of all other pending matters.

12. **REPORTING TO THE CITY.** Subrecipient shall provide a written report to the City summarizing project activities, expenditures, and project status quarterly as requested or until work is completed on April 10, 2022; July 10, 2022; October 10, 2022; January 10, 2023; April 10, 2023; July 10, 2023; October 10, 2023; January 10, 2024; April 10, 2024; July 10, 2024; October 10, 2024; January 10, 2025; April 10, 2025; July 10, 2025; October 10, 2025; January 10, 2026; April 10, 2026; July 10, 2026; October 10, 2026; and February 15, 2027. Report templates will be provided by City staff and must be filled out completely for each report. Subrecipient agrees to provide additional reports on an as-needed basis, and upon request, present to the City Council at a public meeting.

13. **INDEMNIFICATION.** To the fullest extent permitted by law, Subrecipient shall assume the defense of, indemnify and hold harmless the City and its officers, agents, employees, and volunteers (collectively "Indemnitees") from and against any claim, loss, damage, injury (including, without limitation, injury to or death of an employee of the Subrecipient or its sub-Subrecipients) and liability of every kind, nature and description (including without limitation, incidental and consequential damages, court costs, attorneys' fees and costs of investigation) that arise directly or indirectly, in whole or in part, from : (1) the services under this Agreement, or any part thereof, (2) any act or omission of Subrecipient, and sub-Subrecipients to the Subrecipient, anyone directly or indirectly employed by it, agents of Subrecipient, or anyone that they control (collectively "Liabilities"), even if such Liabilities are caused in part by the negligence of any indemnitee, subject to the provisions set forth below in this section. Subrecipient assumes no liability for the sole

negligence or willful misconduct of Indemnitees. Subrecipient's indemnification obligations for claims involving "Professional Liability" (claims involving acts, error, or omissions in the rendering of professional services and "Economic Loss Only" (claims involving economic loss which are not connected with bodily injury or physical damage to property) shall be limited to the proportionate extent of Subrecipient's negligence or other breach of duty. Any and all Federal, State and local taxes, charges, fees, or contributions required by law to be paid with respect to Subrecipient's performance of this Agreement (including, without limitation, unemployment insurance, social security, and income taxes).

14. **OWNERSHIP OF DOCUMENTS.** Upon completion of the Services, all work product, including, without limitation, research, investigation and analysis data, reports (including files on disks in both word processing and portable document format), computations, tabulations, original drawings (including files on disks in both CAD and portable document format), and correspondence input from external sources, shall be delivered to and become the property of City upon approval by City of payment of Subrecipient's final invoice. In connection therewith, City shall retain all copyrights with respect to such materials. Subsequent use of said materials on any other project or for any other purpose shall be at City's sole discretion and sole liability. To the extent that any discovery or invention is made by City or Subrecipient in the course of, or in connection with, this Agreement, the Project and/or the performance of the Services, City shall be entitled to all intellectual property rights and benefits arising therefrom, including, without limitation, patent rights, the right to license use by others and the rights to receive royalties therefrom.

15. **INDEPENDENT CONTRACTOR.** The parties agree that Subrecipient is an independent contractor and this Agreement is entered into in conformance with the provisions of NRS 284.173. The parties agree that Subrecipient is not a City employee and there shall be no:

- (a) Withholding of income taxes by the City;
- (b) Industrial insurance provided by the City;
- (c) Participation in group insurance plans which may be available to employees of the City;
- (d) Participation or contributions by either the independent contractor or City to any public employees retirement system;
- (e) Accumulation of vacation leave or sick leave;
- (f) Unemployment compensation coverage provided by City if the requirements of NRS 612.085 for independent contractors are met.

16. **CITY OF RENO BUSINESS LICENSE.** If applicable, Subrecipient shall maintain in full force and effect throughout the term of this Agreement a current business license from the City of Reno.

17. **NOTICES.** Any notices provided for herein shall be given in writing by certified mail, return receipt requested, or by personal service to:

City of Reno:

Subrecipient:

City of Reno

Volunteers of America

Attn: Monica Cochran
P.O. Box 1900
Reno, NV 89505

Leo McFarland, President and CEO
3134 Marconi Ave.
Sacramento, CA 95821

18. ASSIGNMENT. This Agreement is binding on the heirs, successors, and assigns of the parties hereto. This Agreement shall not be assigned by either party without prior written consent of the other.

19. INTEGRATION. This agreement represents the entire understanding of City and Subrecipient as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except by written amendment thereto signed by both parties.

20. JURISDICTION. This Agreement shall be administered and interpreted under the laws of the State of Nevada. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall be in full force and effect.

21. SUSPENSION OF WORK. Either party may suspend, by written notice, all or a portion of the work under this Agreement, in the event unforeseeable circumstances, beyond the control of either party, make normal progress in the performance of the work impossible. The party desiring to suspend the work must request that the work be suspended by notifying the other party, in writing, of the circumstances which are interfering with normal progress of the work. The time for completion of the work shall be extended by the number of days the work is suspended. In the event that the period of suspension exceeds ninety (90) working days, the terms of this Agreement are subject to renegotiation and both parties are granted the option to terminate work on the suspended portion of the project in accordance to Section 19 of this Agreement.

22. TERMINATION OF AGREEMENT. This Agreement and all services rendered hereunder may be terminated at any time by written notice from either party, with or without cause. In such event, all finished and unfinished documents, project data, reports and work product, at the option of the City, become its property and shall be delivered to it or to any party it may designate. In the event of such termination, Subrecipient shall be paid for all satisfactory work, unless such termination is made for cause, in which event compensation, if any, shall be adjusted in light of the particular facts and circumstances involved in such termination.

23. WAIVER. The waiver by either party of a breach or violation of any provision of this Agreement will not operate as or be construed to be a waiver of any subsequent breach thereof.

24. NON-DISCRIMINATION POLICY. The parties hereto shall not discriminate in their employment practices against any person by reason of race, religion, color, sex, age or national origin and agree to comply with the provisions of said laws and orders as well as all laws and orders relating to the employment of the handicapped, the employment of veterans and the use of minority business enterprises to the extent any such laws and orders are applicable in the performance of work or furnishing of services, materials or supplies hereunder. For this purpose, the provisions of such laws and orders and pertinent regulations, as now in force or hereafter amended, shall be deemed an integral part of this Agreement to the same extent as if written at length.

25. LIMITED LIABILITY. The parties will not waive and intend to assert available defenses and limitations contained in Chapter 41 of the Nevada Revised Statutes. Contract liability

of both parties shall not be subject to punitive damages. Actual damages for any City breach shall never exceed the amount of funds which have been appropriated for payment under this Agreement, but not yet paid, for the fiscal year budget in existence at the time of the breach.

26. **BANKRUPTCY.** In the event either party applies for or consent to the appointment of a receiver, trustee, or liquidator of itself or of all or a substantial part of its assets, files a voluntary petition in bankruptcy, admits in writing its inability to pay its debts as they become due, make a general assignment for the benefit of creditors, files a petition or an answer in seeking a reorganization or arrangement with creditors or, as a debtor, invoke or takes advantage of the provisions of any insolvency law, including without limitation any provision of the United States Bankruptcy Act, or any proceeding in any court is instituted seeking to adjudicate either party as a debtor, bankrupt or insolvent, and the same shall not be dismissed or discharged within thirty (30) days after notice thereof given to the appropriate party, the other party may by unilateral notice terminate this Agreement effective on any future date specified in such notice.

27. **COUNTERPARTS.** This Agreement may be executed in a number of counterparts, the conglomeration of which shall constitute a complete Agreement if signed by all parties hereto.

28. **SIGNATURES.** The parties hereby warrant that the persons executing this Agreement are authorized to execute this Agreement and are authorized to obligate the respective parties to perform this Agreement. A facsimile signature on this Agreement shall be treated for all purposes as an original signature.

29. **CONFLICT.** Notwithstanding the foregoing, the provisions of Article II shall prevail over any inconsistent provisions set forth in Article I or Exhibit A.

ARTICLE II.

U.S. DEPARTMENT OF THE TREASURY CORONAVIRUS LOCAL FISCAL RECOVERY FUNDS REQUIREMENTS

1. **USE OF FUNDS.** Subrecipient understands and agrees that the funds disbursed under this award may only be used in compliance with section 603(c) of the Social Security Act (the Act), Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing. Subrecipient will determine prior to engaging in any project using this assistance that it has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of such project.

2. **PERIOD OF PERFORMANCE.** The period of performance for this award begins on the date hereof and ends on December 31, 2026. As set forth in Treasury's implementing regulations, Subrecipient may use award funds to cover eligible costs incurred during the period that begins on March 3, 2021, and ends on December 31, 2024.

3. **REPORTING.** Subrecipient agrees to comply with any reporting obligations established by Treasury as they relate to this award.

4. **MAINTENANCE OF AND ACCESS TO RECORDS.** Subrecipient shall maintain records and financial documents sufficient to evidence compliance with section 603(c) of the Act, Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing. The Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, shall have the right of access to records (electronic and otherwise) of Subrecipient in order to conduct audits or other investigations. Records shall be maintained by

Subrecipient for a period of five (5) years after all funds have been expended or returned to Treasury, whichever is later.

5. **PRE-AWARD COSTS.** Pre-award costs, as defined in 2 C.F.R. § 200.458, may not be paid with funding from this award.

6. **CONFLICT OF INTEREST.** Subrecipient understands and agrees it must maintain a conflict of interest policy consistent with 2 C.F.R. § 200.318(c) and that such conflict of interest policy is applicable to each activity funded under this award. Subrecipient must disclose in writing to Treasury or the pass-through entity, as appropriate, any potential conflict of interest affecting the awarded funds in accordance with 2 C.F.R. § 200.112.

7. **COMPLIANCE WITH APPLICABLE LAW AND REGULATIONS.** Subrecipient agrees to comply with the requirements of section 603 of the Act, regulations adopted by Treasury pursuant to section 603(f) of the Act, and guidance issued by Treasury regarding the foregoing. Subrecipient also agrees to comply with all other applicable federal statutes, regulations, and executive orders, and Subrecipient shall provide for such compliance by other parties in any agreements it enters into with other parties relating to this award.

Federal regulations applicable to this award include, without limitation, the following:

- (a) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, other than such provisions as Treasury may determine are inapplicable to this Award and subject to such exceptions as may be otherwise provided by Treasury. Subpart F – Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.
- (b) Universal Identifier and System for Award Management (SAM), 2 C.F.R. Part 25, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference.
- (c) Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference.
- (d) OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement), 2 C.F.R. Part 180, including the requirement to include a term or condition in all lower tier covered transactions (contracts and subcontracts described in 2 C.F.R. Part 180, subpart B) that the award is subject to 2 C.F.R. Part 180 and Treasury's implementing regulation at 31 C.F.R. Part 19.
- (e) Recipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 C.F.R. Part 200, Appendix XII to Part 200 is hereby incorporated by reference.
- (f) Governmentwide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.
- (g) New Restrictions on Lobbying, 31 C.F.R. Part 21.
- (h) Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations.
- (i) Generally applicable federal environmental laws and regulations.

Statutes and regulations prohibiting discrimination applicable to this award include, without limitation, the following:

- (j) Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;
- (k) The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
- (l) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;
- (m) The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
- (n) Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

8. **REMEDIAL ACTIONS.** In the event of Subrecipient's noncompliance with section 603 of the Act, other applicable laws, Treasury's implementing regulations, guidance, or any reporting or other program requirements, Treasury may impose additional conditions on the receipt of a subsequent tranche of future award funds, if any, or take other available remedies as set forth in 2 C.F.R. § 200.339. In the case of a violation of section 603(c) of the Act regarding the use of funds, previous payments shall be subject to recoupment as provided in section 603(e) of the Act.

9. **HATCH ACT.** Subrecipient agrees to comply, as applicable, with requirements of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.

10. **FALSE STATEMENTS.** Subrecipient understands that making false statements or claims in connection with this award is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or contracts, and/or any other remedy available by law.

11. **PUBLICATIONS.** Any publications produced with funds from this award must display the following language: "This project [is being] [was] supported, in whole or in part, by federal award number [enter project FAIN] awarded to the City of Reno by the U.S. Department of the Treasury."

12. **DEBTS OWED THE FEDERAL GOVERNMENT.** Any funds paid to Subrecipient (1) in excess of the amount to which Subrecipient is finally determined to be authorized to retain under the terms of this award; (2) that are determined by the Treasury Office of Inspector General to have been misused; or (3) that are determined by Treasury to be subject to a repayment obligation

pursuant to section 603(e) of the Act and have not been repaid by Subrecipient shall constitute a debt to the federal government. Any debts determined to be owed the federal government must be paid promptly by the Subrecipient. A debt is delinquent if it has not been paid by the date specified in Treasury's initial written demand for payment, unless other satisfactory arrangements have been made or if the Subrecipient knowingly or improperly retains funds that are a debt as defined in paragraph 14(a). Treasury will take any actions available to it to collect such a debt.

13. **DISCLAIMER.**

- (a) The United States expressly disclaims any and all responsibility or liability to Subrecipient or third persons for the actions of Subrecipient or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this award or any other losses resulting in any way from the performance of this award or any contract, or subcontract under this award.
- (b) The acceptance of this award by Subrecipient does not in any way establish an agency relationship between the United States and Subrecipient.

14. **PROTECTION FOR WHISTLEBLOWERS.** In accordance with 41 U.S.C. § 4712, Subrecipient may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.

The list of persons and entities referenced in the paragraph above includes the following:

- (a) A member of Congress or a representative of a committee of Congress;
- (b) An Inspector General;
- (c) The Government Accountability Office;
- (d) A Treasury employee responsible for contract or grant oversight or management;
- (e) An authorized official of the Department of Justice or other law enforcement agency;
- (f) A court or grand jury; or
- (g) A management official or other employee of Subrecipient, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct.

Recipient shall inform its employees in writing of the rights and remedies provided under this section, in the predominant native language of the workforce.

15. **INCREASING SEAT BELT USE IN THE UNITED STATES.** Pursuant to Executive Order 13043, 62 FR 19217 (Apr. 18, 1997), Subrecipient should encourage its contractors to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles.

16. **REDUCING TEXT MESSAGING WHILE DRIVING.** Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 6, 2009), Subrecipient should encourage its employees, Subrecipients, and

contractors to adopt and enforce policies that ban text messaging while driving, and Subrecipient should establish workplace safety policies to decrease accidents caused by distracted drivers.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement for Professional Services as of the date first written above.

THE CITY OF RENO
a municipal corporation of the State of
Nevada

VOLUNTEERS OF AMERICA,
GREATER SACRAMENTO AND
NORTHERN NEVADA

By: _____
Doug Thornley
City Manager

By: _____
Leo McFarland, President

APPROVED AS TO FORM ONLY

By: _____
City Attorney's Office

Exhibit A
Scope of Work and Budget

East Fourth Street Village

Scope of Work

Volunteers of America will use a grant of \$2,000,000.00 from the City of Reno, to purchase the Hi-Way 40 Motel, APN 008-381-03, located at 1750 East 4th Street in Reno, Nevada, for the purpose of converting the one bedroom and studio units into permanent affordable housing units. These units would be targeted towards individuals and couples whose income range fall within the 30-60 percent of the local AML.

Budget

\$2,000,000.00 from the City of Reno to purchase 1750 East 4th Street.