

PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon

RESOLUTION NO. 6805

**AUTHORIZING CONTRACT BETWEEN THE PORTLAND
DEVELOPMENT COMMISSION AND THE CITY OF PORTLAND
IN THE AMOUNT OF \$5,044,954 FOR THE PURPOSE OF
OPERATING AND ADMINISTERING THE ECONOMIC
OPPORTUNITY INITIATIVE PROGRAM**

WHEREAS, the Portland Development Commission (“PDC”) is charged by the City Charter with implementing the vision and goals of the City of Portland (the “City”) as adopted by the City Council relating to economic development;

WHEREAS, in carrying out this charge, the City Charter directs PDC to advance social equity and involve the City’s constituencies to create, maintain and promote a diverse, sustainable community in which economic prosperity and employment opportunities are made available to all residents;

WHEREAS, the Economic Opportunity Initiative is an economic development program that is designed to assist low income, multi-barriered individuals to increase their incomes by providing workforce development or microenterprise development services combined with wrap around supports;

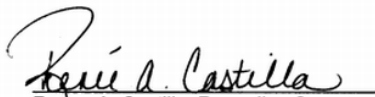
WHEREAS, the Economic Opportunity Initiative supports achievement of the PDC Strategic Plan 2010 goals of Sustainability and Social Equity and Healthy Neighborhoods; and

WHEREAS, the Portland City Council authorized funding for the Economic Opportunity Initiative in the PDC Approved Budget in May 2010.

NOW, THEREFORE, BE IT RESOLVED that the PDC Board of Commissioners hereby authorizes the Executive Director to execute the Subrecipient Contract with the City, acting by and through its Portland Housing Bureau and Office of Management and Finance, substantially in the form attached hereto as Exhibit A (the “Subrecipient Contract”) and to make further changes to the Subrecipient Contract that the Executive Director deems, in consultation with the General Counsel, necessary and appropriate to the extent that such changes do not increase PDC’s risks or financial obligations; and

BE IT FURTHER RESOLVED that this resolution shall become effective immediately upon its adoption.

Adopted by the Portland Development Commission on June 23, 2010.


Renee A. Castilla, Recording Secretary

Subrecipient Contract
Contract No. _____
Economic Opportunity Initiative Program

This subrecipient contract (“Contract”) is between the City of Portland, acting by and through its Portland Housing Bureau (“PHB”) and Office of Management and Finance (“OMF”), and the Portland Development Commission (“PDC” and “subrecipient”) for the implementation of the Economic Opportunity Initiative program.

RECITALS

- A. PDC is charged by the City Charter with implementing the vision and goals of the City of Portland as adopted by the City Council relating to economic development.
- B. In carrying out this charge, the City Charter directs PDC to advance social equity and involve the City of Portland’s constituencies to create, maintain and promote a diverse, sustainable community in which economic prosperity and employment opportunities are made available to all residents.
- C. PHB’s predecessor, the Bureau of Housing and Community Development (“BHCD”) developed a strategic plan and in September, 2004 began implementing the Economic Opportunity Initiative, designed to reduce poverty citywide, as an element of its strategic plan.
- D. The purpose of the Economic Opportunity Initiative is to help propel low-income people out of poverty through participation in two program elements: youth and adult workforce development, which offers a three-year program of intensive training, placement, advancement in specific career tracks, life skills support, and microenterprise development, which offers business technical and planning assistance, and life skills support, through a three year program of individual and peer mentoring.
- E. The Economic Opportunity Initiative is a national model for developing and implementing best practices workforce and microenterprise development for multi-barriered very low income populations. Current funding allows for a total enrollment of around 2,600 participants at any given time. Each person is served for three years with new graduations and enrollments starting each year.
- F. Now therefore, the parties agree as follows:

AGREEMENT

Effective Date and Duration

This Contract shall become effective on July 1, 2010 (the “Effective Date”). This Contract shall terminate on June 30, 2011

Contract Manager

Each party has designated a contract manager to be the formal representative for this Contract. All reports, notices, and other communications required under or relating to this Contract shall be directed to the appropriate individual identified below.

PHB	PDC
Contract Manager: Antoinette Pietka	Contract Manager: George Cornett
421 SW Sixth Ave., Suite 1100	222 NW Fifth Avenue
Portland, OR 97204	Portland, OR 97204
(503) 823-2394 (phone)	503-823-3727 (phone)
(503) 823-2375 (fax)	(503) 865-3817 (fax)
antoinette.pietka@portlandoregon.gov	cornettg@pdc.us
OMF-FPD	
Contract Manager: Andrew Scott	
1120 SW 5 th Avenue, Room 1250	
Portland, OR 97204	
(503) 823-6845 (phone)	
(503) 823-5384	
andrew.scott@portlandoregon.gov	

List of Exhibits

The following Exhibits are attached hereto and incorporated by reference into this Contract:

<u>Document</u>	<u>Description</u>	<u>No. of Pages</u>
Exhibit A	IDIS Set-Up Report Form	1
Exhibit B	Budget	1
Exhibit C	Sample Invoice to PHB	2
Exhibit D	Sample Invoice to OMF	2
Exhibit E	ARRA Requirements	2
Exhibit F	ARRA Report Form – including Attachment A	1

I. SCOPE OF WORK

Subject to the terms and conditions of this Contract and as described in greater detail below, PDC will, during the term of this Contract, implement the Economic Opportunity Initiative formerly implemented by the City’s Bureau of Housing and Community Development, including youth and adult workforce projects, microenterprise projects, and common services for all participants. The Economic Opportunity Initiative is a City-wide economic prosperity program designed to significantly increase the incomes of very low-income residents. Currently, thirty-four community-based projects provide intensive, holistic support, and customized workforce or micro enterprise development services to each participant for three years. Participants are grouped by common backgrounds and career goals and provide peer support to each other. Income or business revenue growth is tracked quarterly.

A. PDC will assume responsibility on the Effective Date for all Economic Opportunity Initiative program activities, including: outreach; planning; negotiating, preparing and administering all related contracts and agreements, including disbursement of funds, compliance monitoring, accounting and reporting; and annual reporting to the City Council. In addition, PDC's EOI staff will provide ongoing technical assistance on program issues, facilitate collaborative needs identification, solve problems, train staff and develop resources to benefit all participants in the Initiative.

B. To enable and facilitate PDC's implementation of the Economic Opportunity Initiative programs and as soon as reasonably practical after the Effective Date, PHB will deliver documents and take such other actions as may be necessary or desirable for PHB to transfer all program-related functions and activities to PDC.

C. PHB agrees and acknowledges that PDC intends to implement the Economic Opportunity Initiative principally through the further subgrant of funds made available under this Contract to other subrecipients, as permitted by, and in accordance with, the federal law governing the Community Development Block Grant Program, in substantially the same manner as the City's former Bureau of Housing and Community Development.

E. PHB and PDC understand that PDC intends to develop a Community Economic Development strategy and recognize that the Economic Opportunity Initiative programs may contribute to that strategy by providing economic development assistance to the City's most low income citizens. PDC agrees that the Economic Opportunity Initiative programs will continue to be implemented, during the term of this Contract, in substantially the same manner as the City's Bureau of Housing and Community Development implemented them, subject to the funding made available to PDC under this Contract. If this Contract is renewed or extended after the Term hereunder has expired, it is the parties' intent that PDC may modify programs thereafter, provided that any modifications will be consistent with the purpose of the federal Community Development Block Grant program. PHB shall include PDC in discussions and other internal processes involving the City's update of its 5-year Consolidated Plan for the use of Community Development Block Grant Funds and allow PDC to comment on the proposed use of the portion of the CDBG funds currently allocated to the Economic Opportunity Initiative programs.

II. [SECTION RESERVED]

III. REPORTING

- A. The subrecipient shall provide quarterly progress reports from the I-TRAC performance management system. Reports shall include: number of people served and basic demographics. Reports are due no later than October 15, 2010, January 15, 2011, April 15, 2011 and July 31, 2011. Disbursement of funds will be delayed if reports are not turned in by these dates without adequate notice of delay and approval of the contract manager.

- B. All project set-ups and draw-downs will be processed by PHB through the HUD IDIS systems. For annual CBDG contracts, the Subrecipient will complete project set-up form (Exhibit A) and send to PHB as soon as the contract is finalized. For amendments, the set up form must be completed and sent to PHB when the amendment is first drafted to allow time for a Consolidated Plan Amendment. PHB will return setups if there are problems to be corrected and will provide PDC written verification of setup entries.
- C. PHB will provide PDC with monthly reports of all IDIS balances; PDC will reconcile the IDIS reports to project balances in PDC's financial systems. If discrepancies exist, PDC and PHB will work immediately to determine the source of the discrepancy and the required corrective action.
- D. PDC shall track and report ARRA funds separately under this Contract and cooperate with PHB with respect to the reporting requirements under ARRA. During the term of this Contract, no more than three (3) days following the end of each calendar quarter, or as otherwise requested by PHB from time to time, PDC shall provide a report to PHB in electronic or written format containing the following information:
 - i. the total amount of ARRA funds received;
 - ii. the amount of ARRA funds received that were expended or obligated to project activities;
 - iii. an evaluation of the completion status of the project;
 - iv. an estimate of the number of construction and non-construction jobs created and retained;
 - v. and such other information as requested by PHB from time to time, in its reasonable discretion.

IV. COMPENSATION AND METHOD OF PAYMENT

PHB and OMF shall provide the following funding to PDC for performance of the work described in the Scope of Work above:

- A. PHB will provide PDC with \$3,195,310 in on-going CDBG funding for FY 2010-2011 and all CDBG funding budgeted to BHCD in FY 2009-2010 for the Economic Opportunity Initiative that remained unexpended at the end of FY 2009-2010
- B. PHB will provide PDC with up to \$450,000 in CDBG-American Reinvestment and Recovery Act ("ARRA") funding.
- C. OMF will disburse up to \$1,399,644 in on-going City General Fund to PDC as appropriated by City Council in the FY 2010-11 Adopted Budget.

- D. PHB and OMF shall pay all compensation to PDC under this Agreement on an expense reimbursement basis, for CBDG, , General Fund expenses identified in the Budget, attached hereto as Exhibit B, and reasonably incurred by PDC in performing the work described in the Scope of Work. Requests for expense reimbursement shall be submitted and processed as described in Section G below.
- E. PDC shall submit requests for expense reimbursement from the CDBG sources in the form of Exhibit C attached hereto, to PHB monthly for expenses accrued in the prior calendar month. PHB will review, modify if necessary, approve, and then forward them to the OMF Contract Manager in the Financial Planning Division in OMF for payment. Periodic reimbursement requests between monthly billings may be submitted on an interim basis as approved by both PDC and PHB. PHB shall make payment to PDC within 30 business days of receiving a billing. If for some reason payment cannot be made due to errors or omissions then PHB will request from PDC a corrected billing within the 30 day period. The request for corrected billing shall detail all deficiencies in the billing which have caused payment to be withheld.
- F. PDC shall submit requests for expense reimbursement from the General Fund sources in the form of Exhibit D attached hereto, to OMF monthly for expenses accrued in the prior calendar month. OMF will review, modify if necessary, approve, and then make payment. Periodic reimbursement requests between monthly billings may be submitted on an interim basis as approved by both PDC and OMF. OMF shall make payment to PDC within 30 business days of receiving a billing. If for some reason payment cannot be made due to errors or omissions then OMF will request from PDC a corrected billing within the 30 day period. The request for corrected billing shall detail all deficiencies in the billing which have caused payment to be withheld.

V. GENERAL CONTRACT PROVISIONS

- A. **TERMINATION FOR CAUSE.** In accordance with 24 CFR 85.43, if, through any cause, PDC shall fail to fulfill in timely and proper manner obligations under this Contract, or if PDC shall violate any of the covenants, agreements, or stipulations of this Contract, PHB may avail itself of such remedies as cited in 24 CFR 85.43 by giving written notice to PDC of such action and specifying the effective date thereof at least 30 days before the effective date of such action. In such event, all finished or unfinished documents, data, studies, and reports prepared by PDC under this Contract shall, at the option of PHB, become the property of PHB, as the case may be, and PDC shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents.

Notwithstanding the above, PDC shall not be relieved of liability to PHB for damages sustained by PHB by virtue of any breach of the Contract by PDC, and

PHB may withhold any payments to PDC for the purpose of setoff until such time as the exact amount of damages due PHB from PDC is determined.

- B. **TERMINATION FOR CONVENIENCE.** In accordance with 24 CFR 85.44, the PDC or PHB may terminate this Contract at any time by mutual written agreement. If the Contract is terminated as provided herein, PDC will be paid for the work performed up to the date of termination.
- C. **ENFORCEMENT AND REMEDIES.** In the event of termination under section A hereof by the PHB due to a breach by PDC, then PHB may complete the work either itself or by agreement with another subrecipient, or by a combination thereof. In the event the cost of completing the work exceeds the amount actually paid to PDC hereunder plus the remaining unpaid balance of the compensation provided herein, then PDC shall pay to PHB the amount of excess. Allowable costs shall be determined in accordance with 24 CFR 85.43(c).

The remedies provided to PHB under sections A and C hereof for a breach by PDC shall not be exclusive. PHB and OMF also shall be entitled to any other equitable and legal remedies that are available.

In the event of breach of this contract by PHB or OMF, then PDC's remedy shall be limited to termination of the Contract and receipt of payment as provided in section B hereof.

In the event of termination under Section A, the PHB shall provide PDC an opportunity for an administrative appeal to the PHB Director.

- D. **CHANGES.** PHB, OMF and PDC may, from time to time, request changes in writing in the scope of services or terms and conditions hereunder. Such changes, if the parties so agree, shall be implemented through written amendments to this Contract. Changes to the scope of work, budget line items (so long as the total compensation is not changed), timing, reporting, or billing procedures may be approved by the Contract Managers.
- E. **NON-DISCRIMINATION.** During the performance of this Contract, PDC agrees as follows:
 - (a) PDC will comply with the non-discrimination provisions of Title VI of the Civil Rights Act of 1964 (24 CFR 1), Fair Housing Act (24 CFR 100), and Executive Order 11063 (24 CFR 107).
 - (b) PDC will comply with prohibitions against discrimination on the basis of age under Section 109 of the Act as well as the Age Discrimination Act of 1975 (24 CFR 146), and the prohibitions against discrimination against otherwise qualified individuals with handicaps under Section 109 as well as section 504 of the Rehabilitation Act of 1973 (24 CFR 8).

(c) PDC will comply with the equal employment and affirmative action requirements of Executive Order 11246, as amended by Order 12086 (41 CFR 60).

(d). PDC will comply with the equal employment and non-discrimination requirements of Portland City Code Sections 3.100.005 (City Policies Relating to Equal Employment Opportunity, Affirmative Action and Civil Rights), 3.100.042 (Certification of Contractors), and Chapter 23 – Civil Rights.

(e) PDC will comply with the Americans with Disabilities Act (42 USC 12131, 47 USC 155, 201, 218 and 225), which provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodation, state and local government services and telecommunications. The Act also requires the removal of architectural and communication barriers that are structural in nature in existing facilities. For CDBG and/or HOME funded projects, PDC will also comply with affirmative marketing policy and outreach to minorities and women and to entities owned by minorities and women per 24 CFR 92.351 and/or 24 CFR 570.601(a)(2), if the funds will be used for housing containing 5 or more assisted units.

F. SECTION 3: PDC will comply with the training and employment guidelines of Section 3 of the Housing and Urban Development Act of 1968, as amended (12U.S.C. 1701a), and regulations pursuant thereto (24 CFR Part 135).

G. ACCESS TO RECORDS. PHB, OMF, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, general organizational and administrative information, documents, papers, and records of PDC which are directly pertinent to this Contract, for the purpose of making audit or monitoring, examination, excerpts, and transcriptions. All required records must be maintained by PDC for four years after the final payment from PHB or OMF under this Contract and all other pending matters are closed.

H. MAINTENANCE OF RECORDS. PDC shall maintain fiscal records on a current basis to support its billings to PHB and OMF. PHB shall retain fiscal as well as all records relating to program management and operation, program beneficiaries, demographics and eligibility for inspection, audit, and copying for four years from the date of completion or termination of this Contract. PHB or OMF or its authorized representative shall have the authority to inspect, audit, and copy on reasonable notice and from time to time any records of PDC regarding its billings or its work here under.

I. AUDIT OF PAYMENTS. PHB or OMF, either directly or through a designated representative, may audit the records of PDC at any time during the four-year period established by Section H above.

If an audit discloses that payments to PDC were in excess of the amount to which PDC was entitled, then PDC shall repay the amount of the excess to PHB or OMF, as the case may be.

- J. INDEMNIFICATION. To the extent permitted by law and subject to the limits of the Oregon Tort Claims Act, PDC shall hold harmless, defend, and indemnify PHB and OMF and PHB's and OMF's officers, agents and employees against all claims, demands, actions, and suits (including all attorney fees and costs) brought against any of them arising from PDC work under this Contract.

To the extent permitted by law and subject to the limits of the Oregon Tort Claims Act, PHB and OMF shall hold harmless, defend, and indemnify PDC and PDC's officers, agents and employees against all claims, demands, actions, and suits (including all attorney fees and costs) brought against any of them arising from the activities of PHB or OMF or their respective employees or agents under this Contract.

- K. LIABILITY INSURANCE.

(a) PDC shall maintain public liability and property damage insurance that protects PDC and PHB and their officers, agents, and employees from any and all claims, demands, actions, and suits for damage to property or personal injury, including death, arising from PDC's work under this Contract. The insurance shall provide coverage for not less than \$1,000,000 for personal injury to each person, \$500,000 for each occurrence, and \$2,000,000 for each occurrence involving property damages; or a single limit policy of not less than \$500,000 covering all claims per occurrence. The limits of the insurance shall be subject to statutory changes as to maximum limits of liability imposed on municipalities of the state of Oregon during the term of this Contract. The insurance shall be without prejudice to coverage otherwise existing and shall name as additional insureds PHB and their officers, agents, and employees. Notwithstanding the naming of additional insureds, the insurance shall protect each insured in the same manner as though a separate policy had been issued to each, but nothing herein shall operate to increase the insurer's liability as set forth elsewhere in the policy beyond the amount or amounts for which the insurer would have been liable if only one person or interest had been named as insured. The insurance shall provide that it shall not terminate or be canceled without 30 days written notice first being given to the City Auditor. If the insurance is canceled or terminated prior to termination of the Contract, PDC shall provide a new policy with the same terms. PDC agrees to maintain continuous, uninterrupted coverage for the duration of the Contract. The insurance shall include coverage for any damages or injuries arising out of the use of automobiles or other motor vehicles by PDC.

(b) PDC shall maintain on file with the City Auditor a certificate of insurance certifying the coverage required under subsection (a). The adequacy of the insurance shall be subject to the approval of the City Attorney. Failure to maintain liability insurance shall be cause for immediate termination of this Contract by PHB.

In lieu of filing the certificate of insurance required herein, PDC shall furnish a declaration that PDC is self-insured for public liability and property damage for a minimum of the amounts set forth in ORS 30.270.

L. WORKERS' COMPENSATION INSURANCE.

(a) PDC, its subcontractors and subrecipients, if any, and all employers working under this Contract are subject employers under the Oregon Worker's compensation law and shall comply with ORS 656.017, which requires them to provide worker's compensation coverage for all their subject workers. A certificate of insurance for PDC, or copy thereof, shall be attached to this Contract and shall be incorporated herein and made a term and part of this Contract. PDC further agrees to maintain worker's compensation insurance coverage for the duration of this Contract.

(b) In the event PDC's worker's compensation insurance coverage is due to expire during the term of this Contract, PDC agrees to timely renew its insurance, either as a carrier-insured employer or a self-insured employer as provided by Chapter 656 of the Oregon Revised Statutes, before its expiration, and PDC agrees to provide PHB such further certification of worker's compensation insurance as renewals of said insurance occur.

(c) If PDC believes itself to be exempt from the worker's compensation insurance coverage requirement of (a) of this subsection, PDC agrees to accurately complete the City of Portland's Questionnaire for Worker's Compensation Insurance and Qualification as an Independent Contractor prior to commencing work under this Contract. In this case, the Questionnaire shall be attached to this Contract and shall be incorporated herein and made a term and part of this Contract. Any misrepresentation of information on the Questionnaire by PDC shall constitute a breach of this Contract. In the event of breach pursuant to this subsection, PHB may terminate this Contract immediately and the notice requirement contained in Section A, TERMINATION FOR CAUSE, hereof shall not apply.

M. SUBCONTRACTING AND ASSIGNMENT. PDC may sub-contract its work under this contract, in whole or in part, without the written approval of PHB. PDC shall require any approved subcontractor to agree, as to the portion subcontracted, to fulfill all obligations of PDC as specified in this Contract. PDC shall remain obligated for full performance hereunder, and PHB and OMF shall incur no obligation other than its obligations to PDC hereunder. PDC agrees that if subcontractors are employed in the performance of this contract, PDC and its subcontractors are subject to the requirements and sanctions of ORS Chapter 656, Workers' Compensation. PDC shall not assign this Contract in whole or in part or any right or obligation hereunder, without prior written approval of PHB and OMF.

Any subcontractor shall be responsible for adhering to all regulations cited within this Contract.

Notwithstanding the foregoing restrictions on subcontracting, PDC may provide funds received under this Contract to other subrecipients for purposes of carrying out the Scope of Work. If PDC provides CDBG or HOME funds to for-profit owners or developers, non-profit owners or developers, other subrecipients, homeowners, homebuyers, tenants receiving tenant-based rental assistance or contractors, PDC must have a written agreement that meets the requirements of 24 CFR 570.503(b) or 92.504(c), respectively.

- N. **INDEPENDENT CONTRACTOR STATUS.** PDC is engaged as an independent contractor and will be responsible for any federal, state, or local taxes and fees applicable to payments hereunder.

PDC and its subcontractors, subrecipients and employees are not employees of PHB or OMF and are not eligible for any benefits through the PHB or OMF, including without limitation, federal social security, health benefits, workers' compensation, unemployment compensation, and retirement benefits.

- O. **CONFLICTS OF INTEREST.** Per 24 CFR 92.356 and/or 24 CFR 570.611, no PHB officer or employee, during his or her tenure or for one year thereafter, shall have any interest, direct or indirect, in this Contract or the proceeds thereof. No board of directors member or employee of PDC, during his or her tenure or for one year thereafter, shall have any interest, direct or indirect, in this Contract or the proceeds thereof.

PDC shall also comply with the provisions of 24 CFR 84.42 and/or 85.36(b)(3), which require that a written Code of Standards of Conduct be maintained by the agency, as it relates to the performance of employees engaged in the award and administration of contracts.

- P. **CONTRACT ADMINISTRATION,** 24 CFR 570.502(b). PDC shall comply with the applicable provisions of OMB Circular Nos. A-122, A-21, A-133 and A-110 as described by 24 CFR 570.502(b) and 570.610. PDC shall comply with the provisions of OMB Circulars A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).

- Q. **OREGON LAWS AND FORUM.** This Contract shall be construed according to the laws of the State of Oregon.

Any litigation between PHB or OMF and PDC arising under this Contract or out of work performed under this Contract shall occur, if in the state courts, in the

Multnomah County court having jurisdiction thereof, and if in the federal courts, in the United States District Court for the State of Oregon.

- R. AVAILABILITY OF FUNDS. It is understood by all parties to this Contract that a portion of the funds used to pay for services provided herein are provided to the PHB through a grant from the U.S. Department of Housing and Urban Development. In the event that funding is reduced, recaptured, or otherwise made unavailable to the PHB as a result of federal action, PHB and OMF reserve the right to terminate the Contract as provided under Section B hereof, or request a change the scope of services as provided under Section D hereof.
- S. PROGRAM INCOME. For Community Development Block Grant-funded projects, PDC shall comply with provisions of 24 CFR 570.504 regarding program income. Program income shall be retained by the PDC provided that it shall be used only for those activities identified in the Scope of Work, and shall be subject to all provisions of this Contract.
- T. COMPLIANCE WITH LAWS. In connection with its activities under this contract, PDC shall comply with all applicable federal, state, and local laws and regulations. For Community Development Block Grant-funded projects, PDC shall carry out its activities in compliance with 24 CFR 570 Subpart K, excepting the responsibilities identified in 24 CFR 570.604 and 570.612. For McKinney-Vento Supportive Housing Program funded projects, PDC shall carry out its activities in compliance with 24 CFR 583. For McKinney-Vento Emergency Shelter Grant funded projects, PDC shall carry out its activities in compliance with 24 CFR 576.
- U. PROGRAM AND FISCAL MONITORING. PHB shall monitor on a regular basis to assure Contract compliance. Such monitoring may include, but are not limited to, on site visits, telephone interviews, and review of required reports and will cover both programmatic and fiscal aspects of the Contract. The frequency and level of monitoring will be determined by the PHB Contract Manager.
- V. EXPIRATION/REVERSION OF ASSETS. For Community Development Block Grant-funded projects, PDC shall comply with the Reversion of Assets provision of 24 CFR 570.503 (b)(7).

For Emergency Shelter Grant funded projects, PDC shall transfer to PHB any ESG funds on hand at the time of expiration and any accounts receivable attributable to the use of ESG funds. Any real property under PDC's control that was acquired or improved in whole or in part with ESG funds in excess of \$25,000 shall be disposed of in a manner which results in the PHB being reimbursed in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non-ESG funds for acquisition of, or improvement to, the property. Such reimbursement is not required after a five-year period after termination of this Contract.

- W. RELOCATION, ACQUISITION AND DISPLACEMENT. PDC agrees to comply with 24 CFR 570.606, 574.630 or 576.80 relating to the acquisition and disposition of all real property utilizing grant funds, and to the displacement of persons, businesses, non-profit organizations and farms occurring as a direct result of any acquisition of real property utilizing grant funds. PDC agrees to comply with applicable City of Portland ordinances, resolutions and policies concerning displacement of individuals from their residences.
- X. PROGRAM ACCESS BY THE DISABLED. PDC shall, to the maximum feasible extent, follow PHB's guidelines on ensuring interested persons can reasonably obtain information about, and access to, HUD-funded activities.
- Y. SEVERABILITY. If any provision of this Contract is found to be illegal or unenforceable, this Contract nevertheless shall remain in full force and effect and the provision shall be stricken.
- Z. [SECTION RESERVED].
- AA. LABOR STANDARDS. PDC 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, the Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C 276, 327-333) 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 Contract. PDC shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the PHB for review upon request.

PDC agrees that, except with respect to the rehabilitation or construction of residential property designed for residential use for less than eight (8) households, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair of any building or work financed in whole or in part with assistance provided under this contract, shall comply with federal requirements adopted by the City of Portland pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR, Parts 3, 15 and 7 governing the payment of wages and ratio of apprentices and trainees to journeymen; 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 PDC of its obligation, if any, to require payment of the higher wage. PDC shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph, for such contracts in excess of \$100,000.

- BB. FLOOD DISASTER PROTECTION. PDC agrees to comply with the requirements of the Flood Disaster Protection Act of 1973 (P.L.-2234) in regard to the sale, lease or other transfer of land acquired, cleared or improved under the terms of this Contract, as it may apply to the provisions of this Contract.
- CC. LEAD-BASED PAINT. PDC agrees that any construction or rehabilitation of residential structure with assistance provided under this Contract shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, 574.635 and 24 CFR Part 35, and in particular Sub-Part B thereof. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants or 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 symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning.
- DD. FUND-RAISING. Funds provided to PDC under this Contract may be used to cover expenses directly related to the Scope of Work. Costs associated with general agency fund-raising activities are not eligible. No Emergency Shelter Grant (ESG) fund dollars may be used to cover expenses associated with general agency fund raising activities not directly related to ESG-funded projects.
- EE. PUBLICITY. Publicity regarding the project shall note participation of the City of Portland through the Portland Housing Bureau.
- FF. LOBBYING. No Federal appropriated funds have been paid or will be paid, by or on behalf of PDC, 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 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. 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, PDC shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- PDC shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreement) and that all subcontractors and subrecipients shall certify and disclose accordingly.
- GG. CHURCH/STATE. PDC agrees to comply with the applicable provisions of 24 CFR 570.200(j) or 24 CFR 576.22 regarding the use of federal funds by religious organizations.

- HH. INDEPENDENT FINANCIAL AUDITS/REVIEWS. If required by law, PDC shall obtain an independent audit of its federally funded program(s), in compliance with federal OMB Circular A-133. Two copies of the audit will be submitted to the designated PHB Contract Manager within 30 days of its completion.
- II. DRUG-FREE WORKPLACE. PDC will maintain a drug-free workplace in conformance with 24 CFR part 24, subpart F.
- JJ. ENVIRONMENTAL REVIEW. If required by law, (i) PDC will comply with the requirements of the National Environmental Policy Act of 1959 [24 CFR Part 58] and (ii) no funds will be committed and no work will be carried out on any project until the environmental review is complete and a Release of Funds is issued by HUD, if applicable.
- KK. DEBARRED, SUSPENDED OR INELIGIBLE CONTRACTORS. Federal funds may not be used to directly or indirectly employ, award contracts to or otherwise engage the services of any contractor or subrecipient during any period of debarment, suspension or placement of ineligibility status [24 CFR Part 24]. Contractors and subrecipients are responsible for checking the Federal publications that list debarred, suspended and ineligible contractors to assure compliance.
- LL. SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISES AND LABOR SURPLUS AREA FIRMS. PDC must comply with the requirements of Executive Orders 11625, 12432 and 12138 and 24 CFR 85.36(e), which require that contractors and subrecipients take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible. Such affirmative steps would include: (i) placing qualified small and women's business enterprises on solicitation lists; (ii) assuring that small and minority businesses and women's business enterprises are solicited whenever they are potential sources; (iii) dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises; (iv) establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; (v) using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and (vi) requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed above.
- MM. ARRA FUNDS. PDC shall, in performing activities under this Contract with ARRA funds, comply with the ARRA requirements set forth in Exhibit E attached hereto and require its subrecipients that receive ARRA funds to comply with the ARRA requirements set forth in Exhibit E and incorporated herein.

VI. SURVIVAL OF CERTAIN PROVISIONS

Sections IV(E) and (F) (with respect to billings for work performed prior to termination of this Contract), V(G), V(H), and V(I) shall survive termination of this Contract in accordance with their terms. Section V(J) shall survive termination of this Contract for a period of five years. The obligations and duties of this Contract related to the receipt and use of federal funds, or program income derived therefrom, shall remain binding on PDC during any period that PDC has control of such funds received or generated under this Contract.

**PORTLAND DEVELOPMENT
COMMISSION**

CITY OF PORTLAND

Bruce Warner, Director Date

Nick Fish Date
Commissioner-in-Charge of PHB

CITY OF PORTLAND

Sam Adams Date
Commissioner-in-Charge of OMF

APPROVED AS TO FORM:

APPROVED AS TO FORM:

PDC Legal

Linda Meng Date
City Attorney

EXHIBIT A

EOI IDIS Set-Up Form

#	<u>INFORMATION REQUESTED</u>	<u>RESPONSE</u>
	Date	
	Activity Contract Manager	
	<i>Manager Phone Number</i>	
	<i>Is this an original Set-up? (Y or N)</i>	
	<i>Is this a revision to a previous Set-up? (Y or N)</i>	
	<i>Previous set-up activity name</i>	
	<i>GENERAL INFORMATION-ALL ACTIVITIES</i>	
1	CDBG National Objective Code (LMC)	
2	Activity Name	
3	Activity Address (include zip code)	
4	Activity Description	
5	Contract period (begins/ends) (Initial Funding Date)	
6	HUD Matrix Code (05H, 18C)	
7	Funding Sources	
8	CDBG Costs	
9	Other Costs	
10	Total Activity Costs	
11	<i>Proposed Accomplishment Type (People or Businesses)</i>	
12	<i>Will the Activity Prevent Homelessness?</i>	
13	<i>Will the Activity Help the Homeless?</i>	
	<i>ECONOMIC DEVELOPMENT</i>	
	<u>Workforce Activities</u>	
14	Number of clients served in contract year	
	<u>Microenterprise Activities</u>	
15	Number of businesses served in contract year	

EXHIBIT B
BUDGET 20010-11

	<i>General Fund</i>		<i>CDBG</i>		<i>Approved Budget Total</i>
	<i>On Going</i>	<i>One Time</i>	<i>Formula</i>	<i>ARRA</i>	
<u>Total Resources</u>	<u>1,399,644</u>	<u>0</u>	<u>3,195,310</u>	<u>450,000</u>	<u>5,044,954</u>
<u>Estimated Expenditures</u>					
Economic Opportunity Initiative Programs	1,135,091	0	2,921,122	450,000	4,506,213
Neighborhood Team Staff	\$140,669		\$140,669		281,338
Indirect Transfers	\$123,884		\$133,519		257,403
<i>Estimated Total Expenditures</i>	<i>1,399,644</i>	<i>0</i>	<i>3,195,310</i>	<i>450,000</i>	<i>5,044,954</i>

EXHIBIT C

SAMPLE INVOICE TO PHB

Expense Summary
Sample Invoice (on PDC Letterhead)

Contract #: _____ **Invoice Period:** _____ **Invoice #:** _____

Organization: Portland Development Commission	Total Budget: \$
Portland Development Commission 222 NW Fifth Avenue Portland, OR 97204 Contact Name/Title: George Cornett	Funding Award Amount: CDBG: \$3,195,310 CDBG ARRA: \$450,000
Phone/Fax: 503-865-3817	Funding Period: July 1, 2010– June 30, 2011

CBDG Activity	Budget	Expense This Period	Expenses YTD Including This Invoice	Balance From Budget
EOI Microenterprise Growth: List expenses for each contract				
EOI Workforce Development: List expenses for each contract				
EOI Program Delivery List expenses such as staffing and indirect				
Total CBDG	\$3,195,310			

CBDG ARRA Activity	Budget	Expense This Period	Expenses YTD Including This Invoice	Balance From Budget
Small Business Law Center (Lewis & Clark College)				
Homeless Youth Employment Access (Outside In)				
ESL CNA Training (Mt. Hood Community College)				
Corporate Connections (Open Meadow)				
Health Occupations (Open Meadow)				
Total CBDG - ARRA	\$450,000			

Total Amount Requested: _____

Total Balance: _____

Exhibit C: Invoice to PHB – Cont.

Certification: I certify to the best of my knowledge and belief that the invoice is correct and complete and that all the expenses are for the purpose set forth in the award document, and I understand that a portion or all of this request will be funded with federal money and that these expenses are subject to future audit.

Typed or Printed Name and Title:

Phone:

Signature of Authorized Certifying Official:

Date Submitted:

FOR OFFICE USE ONLY

I have received this information and have forwarded the invoice for processing

Contract Manager

Date Sent to Accounting

EXHIBIT D

SAMPLE INVOICE TO OMF

Expense Summary
Sample Invoice (on PDC Letterhead)

Contract #: _____ **Invoice Period:** _____ **Invoice #:** _____

Organization: Portland Development Commission	Total Budget: \$
Portland Development Commission 222 NW Fifth Avenue Portland, OR 97204 Contact Name/Title: George Cornett	GF: \$1,399,644
Phone/Fax: 503-865-3817	Funding Period: July 1, 2009– June 30, 2010

General Fund Activity	Budget	Expense This Period	Expenses YTD Including This Invoice	Balance From Budget
EOI Microenterprise Growth: List expenses for each contract				
EOI Workforce Development: List expenses for each contract				
EOI Program Delivery List expenses such as staffing and indirect				
Total GF	\$1,399,644			

Total Amount Requested: _____ Total Balance: _____

Exhibit D: Invoice to OMF – Cont.

Certification: I certify to the best of my knowledge and belief that the invoice is correct and complete and that all the expenses are for the purpose set forth in the award document, and I understand that a portion or all of this request will be funded with federal money and that these expenses are subject to future audit.	
Typed or Printed Name and Title:	Phone:
Signature of Authorized Certifying Official:	Date Submitted:
FOR OFFICE USE ONLY I have received this information and have forwarded the invoice for processing	
Contract Manager	Date Sent to Accounting

EXHIBIT E
ARRA Requirements

1. General Provisions

ARRA funds shall be used exclusively by Subrecipient in a manner consistent with the purposes of ARRA, including, without limitation: (a) to preserve and create jobs and promote economic recovery; (b) to assist those most impacted by the recession; (c) to provide investments needed to increase economic efficiency by spurring technological advances in science and health; (d) to invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits; and (e) to stabilize state and local government budgets, in order to minimize and avoid reductions in essential services and counterproductive state and local tax increases.

ARRA Compliance. Subrecipient acknowledges that it is familiar with ARRA; the Notice of Program Requirements for Community Development Block Grant Program Funding Under the American Recovery and Reinvestment Act of 2009, 74 Fed. Reg. 21816 (May 11, 2009), available at http://portal.hud.gov/portal/page/portal/RECOVERY/programs/CDBG_FORMULA_RESOURCES/cdbg-r-0504.pdf (as amended from time to time) (the “Notice”); Title I of the Housing and Community Development Act of 1974, as amended (42 USC 5301 et seq., as modified by the Notice); and the HUD Regulations at 24 C.F.R. Part 570 (as modified by the Notice). Subrecipient shall comply with all applicable requirements of ARRA relating to reporting; accountability, and transparency and such other requirements as may be subsequently amended by HUD, OMB or PHB. In the event of any variance between the terms and conditions of this Contract and the compliance requirements of ARRA and applicable federal administrative regulations promulgated thereunder, the terms and conditions of the federal requirements and ARRA provisions shall control.

Failure to proceed with work in an expedient matter in accordance with the intent of the ARRA will be considered a breach of Subrecipient’s obligations under this Contract and may result in the reallocation of ARRA funds. All ARRA funds not expended by September 20, 2012 will be recaptured by HUD.

2. Specific Covenants Relating to ARRA

2.1 Compliance with Investigations. Subrecipient shall comply with any and all investigations by the Office of the Inspector General during the term of this Contract, including, without limitation, by providing prompt responses to requests for information and reasonable access to its facilities, records, and personnel. Without limiting or restricting the authority of an inspector general, Subrecipient shall permit an appropriate inspector general appointed under Section 3 or 8G of the Inspector General Act of 1978 (5 U.S.C. App.) to (a)

examine any records of Subrecipient that pertain to, and involve transactions relating to, this Contract; and (b) to interview any officer or employee of Subrecipient regarding such transactions.

2.2 Central Contractor Registration. Subrecipient's subgrantees shall register with the federal Central Contractor Registration ("CCR") (www.ccr.gov) within a reasonable time period following execution of this Contract, but in no event later than is necessary for Subrecipient to comply with applicable program and ARRA deadlines.

2.3 One-Time Funding. *A portion of the funds supporting this Contract have been provided through the ARRA and are subject to the reporting and operational requirements of ARRA. PHB makes no representations/guarantees about funding beyond the term of this Contract as this Contract is being funded with one time dollars from the ARRA. Subrecipient is responsible for record-keeping and reporting requirements under ARRA. Reports required by Federal agencies, PHB and the State of Oregon shall include, but are not limited to, performance indicators of program deliverables, jobs created or retained, information on costs and progress against timelines. Additionally, each grant subject to ARRA, including subcontractors and sub-grantees, is subject to audit by appropriate federal or state entities. Failure to comply with the terms, conditions and requirements of ARRA may result in the recapture of the balance of funds awarded, as more fully set forth herein.*

2.4 False Claims Act Reporting. Subrecipient shall promptly refer to an appropriate inspector general any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor, or other person has submitted a false claim as defined in the False Claims Act (31 U.S.C. §§ 3729-3733) or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, or similar misconduct involving any ARRA funds.

2.5 Environmental Review. Subrecipient shall take all reasonable actions to expedite the completion of, and comply with all rules and regulations pertaining to, the appropriate environmental reviews under the National Environmental Policy Act (43 U.S.C. 4321 *et seq.*) including, without limitation, providing prompt responses to requests for information and access to its facilities, property, records, and personnel.

2.6 Davis-Bacon Act Compliance. The Davis-Bacon and Related Acts (collectively "Davis-Bacon") require that laborers and mechanics employed directly on the site of ARRA-assisted construction, alteration or repair activities, receive no less than the locally prevailing wages and fringe benefits. Such workers must be paid unconditionally on not less than a weekly basis. Prevailing wages are computed by the U.S. Department of Labor and are issued in the form of a federal wage determination for each classification of work. All ARRA-funded construction, alteration or repair contracts totaling more than \$2,000 are subject to the Davis-Bacon requirements. Subrecipient must include the contract provisions in 29 CFR 5.5(a) in any such contracts entered under this Contract. Such provisions include, but are not limited to, the requirement of payment of minimum wages to all

laborers and mechanics employed or working upon the site of the work, the right to withhold an amount from the contract as is necessary to pay laborers and mechanics the full wages due, and the proper maintenance and submission of payroll records. Subrecipient shall consult with the IHEDA Compliance Monitor to determine the applicability of Davis-Bacon requirements to the project and for compliance assistance.

2.7 Buy American Compliance. Unless otherwise determined by the applicable federal department or agency administering the grant of funds hereunder, Subrecipient shall not use any of the funds awarded to it pursuant to this Contract for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured goods used in the project are produced in the United States. 2 C.F.R. 170.60 *et seq.*

EXHIBIT F
ARRA Report Form
See Attachment A



Portland Housing Bureau

ARRA REPORTING REQUIREMENTS (rev. 10/12/09)
Recovery Act Employment Status Report

Recovery Act Employment Status Report

PDC Contract Manager: _____
 Project Name: _____ Address: _____
 Project Sponsor: _____
 CDBG-R Award Amount: _____
 Report Period End Date: _____

Employee Name	Employee ID	Pay Period		Hours		% MFI	Race	Hispanic	Comments
		Begin Date	End Date	New Job	Retained Job				
TOTAL									

A job created is a new position created and filled or an existing unfilled position that is filled as a result of the Recovery Act; a job retained is an existing position that would not have been continued to be filled were it not for Recovery Act funding. A job cannot be counted as both created and retained. Also, only compensated employment in the United States or outlying areas should be counted. See 74 FR 14824 for definitions.

SIGNATURES REQUIRED:

PDC Contract Manager: _____ Date: _____

Project Manager : _____ Date: _____

This was directly taken from the OMB's Implementing Guidance for the Report's on Use of Funds Pursuant to the American Recovery and Reinvestment Act of 2009 (M-09-21, June 22, 2009)

Section 5 - Reporting on Jobs Creation Estimates by Recipients

5.1 What reporting is required by the Recovery Act for estimates of jobs created or retained?

There are two distinct types of jobs reports that the Recovery Act requires.

First, the Council of Economic Advisers, in consultation with OMB and Treasury, are required by the Recovery Act to submit quarterly reports to Congress that detail the impact of programs funded through Recovery funds on employment, economic growth, and other key economic indicators. OMB and agencies will continue to partner with CEA on these quarterly reports and other questions regarding macro-level jobs estimates. Agencies with questions about reporting macro-level or indirect jobs estimates should refer to CEA's guidance on reporting jobs: <http://www.whitehouse.gov/administration/eop/cea/Estimate-of-Job-Creation/>

The second type of job estimates should be submitted by recipients of Recovery funds for each project or activity, as required by Section 1512(c)3(D) of the Recovery Act. This section addresses the jobs estimates required to be submitted by recipients.

5.2 What information are recipients covered by Section 1512 required to report?

Recipient reporting requirements for grants, cooperative agreements, and loans were published in two separate Federal Register notices. The first notice contained proposed data elements and instructions on reporting jobs created and retained under grants, cooperative agreements, and loans (74 FR 14824). The comments on this first notice were reviewed, though an alternate data set had to be cleared on an emergency basis to accommodate the more immediate need for reporting requirements at the recipient and federal levels. The second notice contained interim final guidance and a standard award term (2 CFR 176.50) with a request for public comment. The comment period for the second notice ends on June 22, 2009 (74 FR 18449).

While this guidance does not apply to contracts, recipient reporting requirements and a standard award clause for federally awarded contracts were published in an interim final rule with request for public comment (FAR 52.204-11). The public comment period on the contract rule has now closed, and the final rule will be published in the near future.

The final detailed reporting requirements for recipients of grants, cooperative agreements, loans and contracts along with data entry instructions will be posted on www.FederalReporting.gov as explained in federal agency award terms/clauses.

The points below provide an overview of the key requirements and supplemental guidance on reporting the employment impact of the Recovery Act funded work.

- Prime recipients are required to report an estimate of jobs directly created or retained by project and activity or contract. Recipients will be required to report an aggregate number for the cumulative jobs created or retained for the quarter in a separate numeric field. Recipients will also be asked to provide a narrative description of the employment impact. While no change is being made to the actual information required to be reported, the clarification that this information will be collected in two separate fields - one numeric and a text field for the narrative - is an update from previous Recovery Act guidance.
- A job created is a new position created and filled or an existing unfilled position that is filled as a result of the Recovery Act; a job retained is an existing position that would not have been continued to be filled were it not for Recovery Act funding. A job cannot be counted as both created and retained. Also, only compensated employment in the United States or outlying areas should be counted. See 74 FR 14824 for definitions.
- The estimate of the number of jobs required by the Recovery Act should be expressed as "full-time equivalents" (FTE), which is calculated as total hours worked in jobs created or retained divided by the number of hours in a full-time schedule, as defined by the recipient (see Section 5.3 for more information). The FTE estimates must be reported cumulatively each calendar quarter.
- Recipients of grants, cooperative agreements, and loans must include in the aggregate number and their narrative description an estimate of jobs created and retained on projects and activities managed by their funding recipients. This clarification is a change from previous guidance, based on comments received on the Federal

Register notice and stakeholder input. For additional guidance on providing these estimates see Section 5.4.

- Recipients should not attempt to report on the employment impact on materials suppliers and central service providers (so-called "indirect" jobs) or on the local community ("induced" jobs). Employees who are not directly charged to Recovery Act supported projects/activities, who, nonetheless, provide critical indirect support, e. g., clerical/administrative staff preparing reports, institutional review board staff members, departmental administrators, are NOT counted as jobs created/retained. Recipients report only direct jobs because they may not have sufficient insight or consistent methodologies for reporting indirect or induced jobs. The Council of Economic Advisers is developing a macro-economic methodology to account for the overall employment impact of the Recovery Act.
- The narrative should include a brief description of the types of jobs created or retained. This description may rely on job titles, broader labor categories, or the recipient's existing practice for describing jobs as long as the terms used are widely understood and describe the general nature of the work.
- Recipients will report for all projects and activities or federally awarded contracts regardless of whether they are funded in whole or in part by the Recovery Act, but should report only on the jobs and funding attributable to an award under the Recovery Act.

Please note that certain recipients, such as those funded by Department of Transportation, have job reporting requirements in the Act that go beyond Section 1512. Recipients must follow this guidance with respect to the reporting requirements under Section 1512, and must also comply with program and agency-specific requirements.

5.3 What methodology should recipients use when calculating the number of jobs created or retained?

The requirement for reporting jobs is based on a simple calculation used to avoid overstating the number of other than full-time, permanent jobs. This calculation converts part-time or temporary jobs into "full-time equivalent" (FTE) jobs. In order to perform the calculation, a recipient will need the total number of hours worked that are funded by the Recovery Act. The recipient will also need the number of hours in a full-time schedule for a quarter. The formula for reporting can be represented as:

$$\frac{\text{Cumulative Recovery Act Funded Hours Worked (Qtr 1..n)}}{\text{Cumulative Hours in a Full-time Schedule (Qtr 1...n)}} = \text{FTE}$$

Example:

Assume that a recipient is preparing its first quarterly report and that the recipient's Recovery Act funded work required two full-time employees and one part-time employee working half days for the quarter. Also assume that the recipient's full-time schedule for the quarter is 520 hours (2080 hours in a work-year divided by 4). To convert hours worked to number of FTE for the first quarterly report, aggregate all hours worked and divide by the number of hours in a full-time schedule for the quarter. In this example, full-time hours worked (520 hrs x 2 employees = 1040 hrs) + part-time hours worked (260 hrs) ÷ number of hours in a full-time schedule for the quarter (520 hrs) = 2.5 FTE reported in the first quarterly report. Because jobs are reported cumulatively each quarter, this same number of FTE would be reported for the second quarter if the same number of employees worked the same number of hours.

Reporting is cumulative across the project lifecycle, and will not reset at the beginning of each calendar or fiscal year. In the example above, the 2.5 FTE reported in the first quarterly report will stay the same through the project lifecycle, assuming the same number of employees work the same number of hours. The table below shows the FTE calculations through the lifecycle of an 18 month project that uses full-time, part-time, and temporary workers.

Period	3rd qtr	4th qtr	1st qtr	2nd qtr	3rd qtr	4th qtr
Full-Time Schedule	520	1040	1560	2080	2600	3120
Full-Time Employee 1	520	1040	1560	2080	2600	3120
Full-Time Employee 2	520	1040	1560	2080	2600	3120
Part-Time Employee (half time)	260	520	780	1040	1300	1560
Temporary Employee (620 hrs.)	0	0	130	390	650	650
Total Hours Worked	1300	2600	4030	5590	7150	8450
Quarterly FTE	2.50	2.50	2.58	2.69	2.75	2.71

An alternative calculation based on the allocable and allowable portion of activities expressed as a percentage of the total is acceptable for recipients of assistance agreements that must comply with OMB Circular A-21, Cost Principles for Educational Institutions. OMB Circular A-21 recognizes that practices vary among educational institutions as to the activity constituting a full workload. Compensation charged to sponsored projects must conform to the institution's established policies and reasonably reflect the activity for which the employee is compensated. Charges to sponsored projects may be expressed as a percentage of their total activities. Therefore, for purposes of ARRA reporting of jobs created or retained, colleges and university may count, proportionately, the percentage of effort directly charged to ARRA awards as an FTE equivalent.

For example - A faculty member charging 50% effort on an ARRA award will be counted as .5 FTE. Hourly and part time employees shall be calculated based on actual hours worked on the sponsored agreement and the institution's definition of a full workload for employment.

The total hours reported may include paid leave.

5.4 How should recipients estimate the job impact of funding provided to sub-recipients?

Recipients must include an estimate of jobs created and retained on projects and activities managed by their funding recipients in their aggregate number and their narrative description. This information will be provided for each project and activity funded by the Recovery Act. The clarification that recipients must report jobs estimates for all sub-awarded funds is an update from previous guidance.

For example, consider a prime recipient that receives a \$10 million grant from a Federal agency for a specific project or activity. Assume the prime recipient hires five FTE to administer the program at a total cost of \$1 million, and distributes nine \$1 million grants to sub-recipients. In this case, the prime recipient will report the direct job creation of 5 FTE, and would also provide an estimate of the total employment impact of the nine \$1 million grants (using the same FTE methodology discussed in 5.3).

Prime recipients are required to generate estimates of job impact by directly collecting specific data from sub-recipients and vendors on the total FTE resulting from a sub-award. To the maximum extent practicable, information should be collected from all sub-recipients and vendors in order to generate the most comprehensive and complete job impact numbers available. However, in limited circumstances, the prime recipient can employ an approved statistical methodology to generate estimates of job impact, thereby collecting data from a smaller subset of sub-recipients and vendors in order to extrapolate an estimate of job impacts to all applicable sub-recipients and vendors. A statistical methodology should only be employed in those cases where a comprehensive collection of jobs data from all sub-recipients and vendors is overly costly or burdensome and thus disrupts the prime recipients' ability to effectively implement the underlying mission of the program.

The appropriate Federal agency for a given program area will issue supplementary guidance providing an acceptable statistical methodology for this purpose, including required sampling parameters. Further, OMB will explore with the Board whether the current data collection technology, www.FederalReporting.gov, can be modified in the future to allow sub-recipients to report jobs data directly to prime recipients.

In the narrative description accompanying the estimate, where the prime recipient utilizes a statistical methodology as described above, the prime recipient should note what part of the estimate was generated with actual data received versus what part of the estimate was generated through extrapolation. In addition, the narrative should provide a description of the statistical methodology used.

In addition to providing this information by project and activity as required by the Recovery Act, as a best practice it is also recommended that State governments post the employment impact of all recovery funds prominently on the State recovery website.

PDC

PORTLAND DEVELOPMENT COMMISSION

Resolution Number 6805

Title:

AUTHORIZING CONTRACT BETWEEN THE PORTLAND DEVELOPMENT COMMISSION AND THE CITY OF PORTLAND IN THE AMOUNT OF \$5,044,954 FOR THE PURPOSE OF OPERATING AND ADMINISTERING THE ECONOMIC OPPORTUNITY INITIATIVE PROGRAM

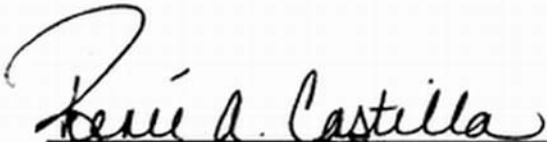
Adopted by the Portland Development Commission on June 23, 2010.

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Scott Andrews	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Bertha Ferrán	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner John Mohlis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Steven Straus	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Charles Wilhoite	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Consent Agenda		<input type="checkbox"/> Regular Agenda		

Certification

The undersigned hereby certifies that:

The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Portland Development Commission and duly recorded in the official minutes of the meeting.


Renee A. Castilla, Recording Secretary

Date: August 19, 2010