

December 4, 2025

BCC Agenda Date/Item: _____

Board of County Commissioners
Clackamas County

Approval of a Revenue Grant Agreement with Oregon Housing and Community Services for affordable housing redevelopment project funding. Total Agreement Value is \$227,785.38 for 3 years. Funding is through Oregon Housing and Community Services. No County General Funds are involved.

Previous Board Action/Review	Board Approval of NSP Application, May 8, 2025, Agenda Item-20250508 II.B.1		
Performance Clackamas	Safe, Secure, and Livable Communities		
Counsel Review	Ryan Hammond	Procurement Review	NA
Contact Person	Mark Sirois	Contact Phone	503-351-7240

EXECUTIVE SUMMARY: The Housing and Community Development Division (HCDD) of the Health, Housing & Human Services Department requests approval of the Oregon Housing and Community Services (OHCS) Grant Agreement #9121 for Neighborhood Stabilization Program (NSP-1) funds. OHCS has signed the OHCS NSP grant agreement of \$227,785.38 as of October 24, 2025.

On January 10, 2025, OHCS contacted several jurisdictions regarding available NSP-1 funds. The Board approved the County application for NSP funds on May 8, 2025. HCDD staff will direct these funds to help a non-profit housing developer redevelop one or two of the Housing Authority's (HACC) Disposition properties. HCDD staff have discussed eligible NSP grant activities with OHCS program staff. Any redevelopment project NSP-1 funding agreements will be brought to the Board for review and approval. NSP-1 funds must be expended by June 30, 2028.

RECOMMENDATION: Staff respectfully request that the Board of County Commissioners approve the Grant Agreement (12356) and authorize Chair Roberts or his designee to sign on behalf of Clackamas County.

Respectfully submitted,

Mary Rumbaugh

Mary Rumbaugh
Director of Health, Housing, and Human Services

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STATE OF OREGON GRANT AGREEMENT

Grant No. 9121

This Grant Agreement (“Grant”) is between the State of Oregon acting by and through its Housing and Community Services Department (“Agency”) and Clackamas County (“Grantee”), each a “Party” and, together, the “Parties”.

RECITALS

- A. This Grant is made in connection with the Neighborhood Stabilization Program One (NSP-1), established by the U.S. Department of Housing and Urban Development (HUD) under the Housing and Economic Recovery Act of 2008 (HERA), Public Law 110-289, to address the impacts of the national foreclosure crisis.
- B. Agency, as the pass-through entity, received an allocation of NSP-1 funds from HUD and has administered these funds in accordance with federal requirements.
- C. Grantee is a Unit of General Local Government and an eligible Subrecipient under HUD regulations and program guidance. References in this Grant, including exhibits, to “subrecipient” or “Subrecipient” shall mean and include Grantee unless the context requires otherwise.
- D. The funds available under this Grant include a combination of:
 - Remaining NSP-1 grant funds,
 - Program income generated from state-administered down payment assistance loans and other NSP-1-funded activities, and
 - Recaptured funds from prior grantee projects, including those sold at market rate before the end of the affordability period.
- E. All funds—whether original grant funds, recaptured funds, or Program Income—must be used for NSP-1-eligible activities in designated target areas, in accordance with HERA, 24 CFR 570.500(a) and 570.504, and HUD guidance, including the Federal Register Notice published at 81 Fed. Reg. 38730 (June 14, 2016).
- F. Agency has met the federal expenditure deadline for NSP-1 by expending an amount equal to 100% of the original grant allocation through a combination of grant funds and Program Income.
- G. This Grant supports the continued use of NSP-1 funds to promote neighborhood stabilization through eligible activities, including acquisition, rehabilitation, and redevelopment of abandoned and foreclosed residential properties. In accordance with HUD’s closeout guidance, Program Income may continue to be used for eligible NSP-1 activities after closeout of the original federal award, until all Program Income is fully expended.

As the program sunsets, Agency will continue to administer remaining funds and Program Income in accordance with HUD’s closeout guidance and applicable CDBG regulations.

SECTION 1: AUTHORITY

Pursuant to Oregon Revised Statutes (ORS) 456.625(17) Agency is authorized to enter into a grant agreement and provide funding for the purposes described in this Grant.

Agency has received a federal grant award from the U.S. Department of Housing and Urban Development (“HUD”) pursuant to the authority of Sections 2301–2304 of Title III of the Housing and Economic Recovery Act of 2008 (Public Law 110-289, enacted July 30, 2008). This program is known as the Neighborhood Stabilization Program One (“NSP-1”).

Applicable Authorities: This federal grant is subject to:

- The Notice of Allocations, Application Procedures, Regulatory Waivers Granted to and Alternative Requirements for Redevelopment of Abandoned and Foreclosed Homes under the Housing and Economic Recovery Act of 2008, 73 Fed. Reg. 58330 (October 6, 2008) (“Notice”);
- The Housing and Economic Recovery Act of 2008 (“HERA”);
- The NSP Bridge Notice and other HUD-issued technical corrections;
- Agency’s submission for Neighborhood Stabilization Program assistance;
- HUD regulations at 24 CFR Part 570 (as modified by the Notice and subject to future amendments);
- The Funding Approval, including any special conditions.

All of the above constitute part of this Grant.

Modifications: HUD-issued clarifications and modifications to NSP shall supersede this Grant. The Grantee shall be notified of such changes in writing by Agency.

SECTION 2: PURPOSE

The purpose of this Grant is to promote neighborhood stabilization through the acquisition and rehabilitation, land banking, disposition, or demolition of Abandoned and Foreclosed residential properties. The Grant also serves to foster the development of viable urban communities by providing safe and sanitary housing, a suitable living environment, and expanding economic opportunities, for persons with low and moderate income.

Original NSP-1 grant allocations have been substantially disbursed; however, additional funding remains available through the continued generation of program income and remaining line of credit funds. This income is derived from the sale of NSP-1-assisted properties, loan repayments, and rental proceeds. In accordance with federal requirements, all program income must be reinvested in eligible

NSP activities and reported through the U.S. Department of Housing and Urban Development’s Disaster Recovery Grant Reporting (DRGR) system.

Feasibility Determination: Agency has reviewed Grantee’s Funding Reservation Request and determined that the proposed activities, as hereinafter defined, are feasible and merit funding.

SECTION 3: EFFECTIVE DATE AND DURATION

When all Parties have executed this Grant, and all necessary approvals have been obtained (“Executed Date”), this Grant is effective and has a Grant funding start date as of July 1, 2025 (“Effective Date”), and, unless extended or terminated earlier in accordance with its terms, will expire on June 30, 2028.

SECTION 4: GRANT ADMINISTRATORS

4.1 Agency’s Grant Administrator is:

Alycia Howell
725 Summer St NE, Suite B
Salem, OR 97301
971.701.9317
Alycia.howell@hcs.oregon.gov

4.2 Grantee’s Grant Administrator is:

Mark Sirois
2051 Kaen Road
Oregon City, OR 97045
503.351.7240
MarkSir@clackamas.us

4.3 A Party may designate a new Grant Administrator by written notice to the other Party.

SECTION 5: PROJECT ACTIVITIES

Grantee must perform the project activities set forth in Exhibit A (the “Project Activities”), attached hereto and incorporated in this Grant by this reference, for the period beginning on the Effective Date and ending on the expiration date set forth in Section 3 (the “Performance Period”).

SECTION 6: GRANT FUNDS

In accordance with the terms and conditions of this Grant, Agency will provide Grantee up to \$227,785.38 (“Grant Funds”) for the Project Activities. Agency will pay the Grant Funds from monies available through its NSP-1 funding, authorized under HERA, and administered by HUD (“Funding Source”).

SECTION 7: DISBURSEMENT GENERALLY

7.1 Disbursement.

7.1.1 Subject to the availability of sufficient moneys in and from the Funding Source based on Agency's reasonable projections of moneys accruing to the Funding Source, Agency will disburse Grant Funds to Grantee to reimburse Grantee for costs and expenses actually incurred for the allowable Project activities described in Exhibit A that are undertaken during the Performance Period.

7.1.2 Grantee must provide to Agency any information or detail regarding the expenditure of Grant Funds required under Exhibit A prior to disbursement or as Agency may request.

7.1.3 Agency will generally only disburse Grant Funds for completed and approved Project Activities. If Agency determines that Grantee is responsible for deficiencies in completed Project Activities, Agency will prepare and deliver to Grantee a written description of the deficiencies within 15 days of Agency's receipt of a request for disbursement from Grantee. Grantee must correct any identified deficiencies at no additional cost to Agency within 15 days of receiving notice of such deficiency. Grantee may resubmit a request for disbursement that includes evidence satisfactory to Agency showing that the deficiencies were corrected.

In some cases, Agency may provide Grant Funds in advance for property acquisition activities, as described in Exhibit A, Section 2.1.2. These advances are only allowed for eligible acquisition costs and require specific documentation before funds are released. All other project costs must be reimbursed after the work is completed and approved.

7.2 Conditions Precedent to Disbursement. In addition to the conditions set forth in Section 7.1, Agency's obligation to disburse Grant Funds to Grantee under this Grant is subject to satisfaction of each of the following conditions precedent:

7.2.1 Agency has received sufficient funding, appropriations, expenditure limitation, allotments, or other necessary expenditure authorizations to allow Agency, in the exercise of its reasonable administrative discretion, to make the disbursement from the Funding Source;

7.2.2 No default as described in Section 14 has occurred;

7.2.3 There are no unresolved deficiencies in Project Activities as described in Section 7.1.3; and

7.2.4 Grantee's representations and warranties set forth in Section 8 are true and correct on the date of disbursement(s) with the same effect as though made on the date of disbursement.

7.3 No Duplicate Payment. Grantee may use other funds in addition to the Grant Funds to complete the Project Activities; provided, however, Grantee may not credit or pay any Grant Funds for Project Activities costs that are paid for with other funds and would result in duplicate funding.

7.4 Suspension of Funding. Agency may by written notice to Grantee, temporarily cease funding and

require Grantee to stop all, or any part, of the Project dependent upon Grant Funds, if Agency has or reasonably projects that it will have insufficient funds from the Funding Source to disburse the full amount of the Grant Funds. Upon receipt of the notice, Grantee must immediately cease all Project Activities dependent on Grant Funds, or if that is impossible, must take all necessary steps to minimize the Project Activities allocable to Grant Funds.

If Agency subsequently projects that it will have sufficient funds, Agency will notify Grantee that it may resume activities. If sufficient funds do not become available, Grantee and Agency will work together in good faith to amend this Grant to revise the amount of Grant Funds and Project Activities to reflect the available funds. If sufficient funding does not become available and the Parties do not reach agreement on an amendment, Agency, in its sole discretion, may either (i) cancel or modify its suspension order by a supplemental written notice or (ii) terminate this Grant as permitted by the provisions of this Grant.

SECTION 8: REPRESENTATIONS AND WARRANTIES

8.1 Organization/ Authority. Grantee represents and warrants to Agency that:

- 8.1.1** Grantee is a county, duly organized and validly existing;
- 8.1.2** Grantee has all necessary rights, powers, and authority under any organizational documents and under Oregon Law to (i) execute this Grant, (ii) incur and perform its obligations under this Grant, and (iii) receive financing, including the Grant Funds, for the Project Activities;
- 8.1.3** This Grant has been duly executed by Grantee and when executed by Agency, constitutes a legal, valid, and binding obligation of Grantee enforceable in accordance with its terms;
- 8.1.4** If applicable and necessary, the execution and delivery of this Grant by Grantee has been authorized by an ordinance, order, or resolution of its governing body, or voter approval, that was adopted in accordance with applicable law and requirements for filing public notices and holding public meetings; and
- 8.1.5** There is no proceeding pending or threatened against Grantee before any court or governmental authority that if adversely determined would materially adversely affect the Project Activities or the ability or authority of Grantee to carry out the Project Activities.

8.2 False Claims Act. Grantee acknowledges the Oregon False Claims Act, ORS 180.750 to 180.785, applies to any “claim” (as defined by ORS 180.750) made by (or caused by) Grantee that pertains to this Grant or to the Project. Grantee certifies that no claim described in the previous sentence is or will be a “false claim” (as defined by ORS 180.750) or an act prohibited by ORS 180.755. Grantee further acknowledges that, in addition to the remedies under Section 15, if Grantee makes (or causes to be made) a false claim or performs (or causes to be performed) an act prohibited under the Oregon False Claims Act, the Oregon Attorney General may enforce the liabilities and penalties provided by the Oregon False Claims Act against Grantee.

- 8.3 No limitation.** The representations and warranties set forth in this section are in addition to, and not in lieu of, any other representations or warranties provided by Grantee.

SECTION 9: RESERVED

SECTION 10: CONFIDENTIAL INFORMATION

- 10.1 Confidential Information Definition.** Grantee acknowledges it and its employees or agents may, in the course of performing its responsibilities, be exposed to or acquire information that: (i) is confidential to Agency or Project Activities participants or (ii) the disclosure of which is restricted under federal or state law, including without limitation: (a) personal information, as that term is used in ORS 646A.602(12) (“Personal Information”), and (b) social security numbers (items (i) and (ii) separately and collectively “Confidential Information”).
- 10.2 Nondisclosure.** Grantee agrees to hold Confidential Information as required by any applicable law and in all cases in strict confidence, using at least the same degree of care Grantee uses in maintaining the confidentiality of its own confidential information. Grantee may not copy, reproduce, sell, assign, license, market, transfer, or otherwise dispose of, give, or disclose Confidential Information to third parties, or use Confidential Information except as is allowed by law and for the Project Activities. Grantee must advise each of its employees and agents of these restrictions. Grantee must assist Agency in identifying and preventing any unauthorized use or disclosure of Confidential Information. Grantee must advise Agency immediately if Grantee learns or has reason to believe any Confidential Information has been, or may be, used or disclosed in violation of the restrictions in this section. Grantee must, at its expense, cooperate with Agency in seeking injunctive or other equitable relief, in the name of Agency or Grantee, to stop or prevent any use or disclosure of Confidential Information. At Agency’s request, Grantee must return or destroy any Confidential Information. If Agency requests Grantee to destroy any Confidential Information, Grantee must provide Agency with written assurance indicating how, when, and what information was destroyed.
- 10.3 Identity Protection Law.** Grantee must have and maintain a formal written information security program that provides safeguards to protect Confidential Information from loss, theft, and disclosure to unauthorized persons, as required by the Oregon Consumer Information Protection Act, ORS 646A.600-646A.628. If Grantee or its agents discover or are notified of a potential or actual “Breach of Security,” as defined by ORS 646A.602(1)(a), or a failure to comply with the requirements of ORS 646A.600-628, (collectively, “Breach”) with respect to Confidential Information, Grantee must promptly but in any event within one calendar day (i) notify Agency’s Grant Administrator of such Breach, and (ii) if the applicable Confidential Information was in the possession of Grantee or its agents at the time of such Breach, Grantee must (a) investigate and remedy the technical causes and technical effects of the Breach and (b) provide Agency with a written root cause analysis of the Breach and the specific steps Grantee will take to prevent the recurrence of the Breach or to ensure the potential Breach will not occur. For the avoidance of doubt, if Agency determines notice is required of any such Breach to any individual(s) or entity(ies), Agency may direct Grantee to provide

notice and shall have the right, but not the obligation, to specify the timing, content, and method of such notice, subject to Grantee's obligations under applicable law.

- 10.4 Subgrants/ Contracts.** Grantee must require any subgrantees, developers , contractors, or subcontractors under this Grant who are exposed to or acquire Confidential Information to treat and maintain such information in the same manner as is required of Grantee under subsections 10.1 and 10.2 of this section.
- 10.5 Background Check.** If requested by Agency and permitted by law, Grantee's employees, agents, subgrantees, contractors, subcontractors, and volunteers that perform Project Activities must agree to submit to a criminal background check prior to performance of any Project Activities or receipt of Confidential Information. Background checks will be performed at Grantee's expense. Based on the results of the background check, Grantee or Agency may refuse or limit (i) the participation of any Grantee employee, agent, subgrantee, contractor, subcontractor, or volunteer, in Project Activities or (ii) access to Agency Personal Information or Agency or Grantee premises.

SECTION 11: CONTRIBUTION

- 11.1** If any third party makes any claim or brings any action, suit, or proceeding alleging a tort as now or hereafter defined in ORS 30.260 (a "Third Party Claim") against a Party (the "Notified Party") with respect to which the other Party (the "Other Party") may have liability, the Notified Party must promptly notify the Other Party in writing of the Third Party Claim and deliver to the Other Party, along with the written notice, a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim that have been received by the Notified Party. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by the Other Party of the notice and copies required in this section and a meaningful opportunity for the Other Party to participate in the investigation, defense, and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to the Other Party's contribution obligation under this Section 11 with respect to the Third Party Claim.
- 11.2** With respect to a Third Party Claim for which Agency is jointly liable with Grantee (or would be if joined in the Third Party Claim), Agency must contribute to the amount of expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred and paid or payable by Grantee in such proportion as is appropriate to reflect the relative fault of Agency on the one hand and of Grantee on the other hand in connection with the events that resulted in such expenses, judgments, fines, or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Agency on the one hand and of Grantee on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information, and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines, or settlement amounts. Agency's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if the State of Oregon had sole liability in the proceeding.
- 11.3** With respect to a Third Party Claim for which Grantee is jointly liable with Agency (or would be if

joined in the Third Party Claim), Grantee must contribute to the amount of expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred and paid or payable by Agency in such proportion as is appropriate to reflect the relative fault of Grantee on the one hand and of Agency on the other hand in connection with the events that resulted in such expenses, judgments, fines, or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Grantee on the one hand and of Agency on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information, and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines, or settlement amounts. Grantee's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if it had sole liability in the proceeding.

SECTION 12: INSURANCE

- 12.1 Grantee Insurance.** Subject to Section 12.2, Grantee must obtain and maintain insurance coverage in the types and amounts indicated in Exhibit B.
- 12.2 Public Body Insurance.** If Grantee is a "public body" as defined in ORS 30.260, Grantee agrees to insure any obligations that may arise for Grantee under this Grant, including any indemnity obligations, through (i) the purchase of insurance indicated in Exhibit B, (ii) the use of self-insurance or assessments paid under ORS 30.282 that are substantially similar to the types and amounts of insurance coverage indicated on Exhibit B, or (iii) a combination of any or all of the foregoing.
- 12.3 Real Property.** If the Project Activities include the construction, remodel, or repair of real property or improvements to real property, Grantee must insure the real property and improvements against liability and risk of direct physical loss, damage, or destruction at least to the extent that similar insurance is customarily carried by entities constructing, operating, and maintaining similar property or facilities.
- 12.4 First Tier Subgrantee/ Contractor Insurance.** Grantee must require any subgrantees or any of its first-tier contractors to maintain insurance in the types and amounts that are commensurate with the type of work being performed by the subgrantees, or the first-tier contractors of Grantee or its subgrantees, and that are consistent with applicable industry standards.

SECTION 13: GOVERNING LAW, JURISDICTION

This Grant is governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit, or proceeding (collectively "Claim") between Agency or any other agency or department of the State of Oregon, or both, and Grantee that arises from or relates to this Grant must be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it will be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event may this section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental

immunity, immunity based on the eleventh amendment to the Constitution of the United States, or otherwise, to or from any Claim or from the jurisdiction of any court. GRANTEE, BY EXECUTION OF THIS GRANT, HEREBY CONSENTS TO THE PERSONAL JURISDICTION OF SUCH COURTS.

SECTION 14: DEFAULT

14.1 Grantee. Grantee will be in default under this Grant upon the occurrence of any of the following events:

- 14.1.1** Grantee fails to use the Grant Funds for the intended purpose described in Exhibit A or otherwise fails to perform, observe, or discharge any of its covenants, agreements, or obligations under this Grant;
- 14.1.2** Any representation, warranty, or statement made by Grantee in this Grant or in any documents or reports relied upon by Agency to measure the Project Activities, the expenditure of Grant Funds, or the performance by Grantee is untrue in any material respect; or
- 14.1.3** A petition, proceeding, or case is filed by or against Grantee under any federal or state bankruptcy, insolvency, receivership, or other law relating to reorganization, liquidation, dissolution, winding-up, or adjustment of debts; in the case of a petition filed against Grantee, Grantee acquiesces to such petition or such petition is not dismissed within 20 calendar days after such filing, or such dismissal is not final or is subject to appeal; or Grantee becomes insolvent or admits its inability to pay its debts as they become due; or Grantee makes an assignment for the benefit of its creditors.

14.2 Agency. Agency will be in default under this Grant if, after 15 days' written notice specifying the nature of the default, Agency fails to perform, observe, or discharge any of its covenants, agreements, or obligations under this Grant; provided, however, Agency will not be in default if Agency fails to disburse Grant Funds because there is insufficient expenditure authority or insufficient funding or because the conditions for disbursement set forth in Section 7 have not been met.

SECTION 15: REMEDIES

15.1 Agency Remedies. In the event Grantee is in default under Section 14.1, Agency may, at its option, pursue any or all of the remedies available to it under this Grant and at law or in equity, including, but not limited to: (i) termination of this Grant under Section 17.2, (ii) reducing or withholding payment for deficient or late Project Activities or materials, (iii) requiring Grantee to complete, at Grantee's expense, additional activities necessary to satisfy its obligations or meet performance standards under this Grant, (iv) initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief, (v) exercise of its right to recovery of overpayments under Section 16 of this Grant or setoff, or both, or (vi) declaring Grantee ineligible for the receipt of future awards from Agency. These remedies are cumulative to the extent the remedies are not inconsistent, and Agency may pursue any remedy or remedies singly, collectively, successively, or in

any order whatsoever. Agency's election not to pursue any available remedy under this Grant or applicable law will not constitute a waiver of default or of any other remedy.

- 15.2 Grantee Remedies.** In the event Agency is in default under Section 14.2 and whether or not Grantee elects to terminate this Grant, Grantee's sole monetary remedy will be, within any limits set forth in this Grant, reimbursement for Project activities completed and accepted by Agency and authorized expenses incurred, less any claims Agency has against Grantee. In no event will Agency be liable to Grantee for any expenses related to termination of this Grant or for anticipated profits.

SECTION 16: WITHHOLDING FUNDS, RECOVERY

Agency may withhold Grant Funds due to Grantee, and Grantee must return to Agency within 30 days of Agency's written demand:

- 16.1** Any Grant Funds paid to Grantee under this Grant, or payments made under any other agreement between Agency and Grantee, that exceed the amount to which Grantee is entitled;
- 16.2** Any Grant Funds received by Grantee that remain unexpended for payment of the costs of Project Activities at the end of the Performance Period;
- 16.3** Any Grant Funds Agency determines were spent on purposes other than allowable Project Activities; or
- 16.4** Any Grant Funds Grantee received as payment for deficient activities or materials.

SECTION 17: TERMINATION

- 17.1 Mutual.** This Grant may be terminated at any time by mutual written consent of the Parties.
- 17.2 By Agency.** Agency may terminate this Grant as follows:
 - 17.2.1** At Agency's discretion, upon 30 days' advance written notice to Grantee;
 - 17.2.2** Immediately upon written notice to Grantee, if Agency fails to receive funding, or appropriations, limitations, or other expenditure authority at levels sufficient in Agency's reasonable administrative discretion, to perform its obligations under this Grant;
 - 17.2.3** Immediately upon written notice to Grantee, if federal or state laws, rules, regulations, or guidelines are modified or interpreted in such a way that Agency's performance under this Grant is prohibited, or Agency is prohibited from funding the Grant from the Funding Source; or
 - 17.2.4** Immediately upon written notice to Grantee, if Grantee is in default under this Grant.

- 17.3 By Grantee.** Grantee may terminate this Grant immediately upon written notice to Agency if Agency is in default under this Grant and such default remains uncured 15 days after written notice thereof to Agency.
- 17.4 Cease Activities.** Upon receiving a notice of termination of this Grant, Grantee must immediately cease all activities under this Grant, unless Agency expressly directs otherwise in such notice. Upon termination, Grantee must deliver to Agency all materials or other property that are or would be required to be provided to Agency under this Grant or that are needed to complete the Project activities that would have been performed by Grantee.

SECTION 18: MISCELLANEOUS

- 18.1 Conflict of Interest.** Grantee by signature to this Grant declares and certifies the award of this Grant and the Project Activities to be funded by this Grant, create no potential or actual conflict of interest, as defined by ORS Chapter 244, for a director, officer, or employee of Grantee.
- 18.2 Nonappropriation.** Agency's obligation to pay any amounts and otherwise perform its duties under this Grant is conditioned upon Agency receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow Agency, in the exercise of its reasonable administrative discretion, to meet its obligations under this Grant. Nothing in this Grant may be construed as permitting any violation of Article XI, Section 7 of the Oregon Constitution or any other law limiting the activities, liabilities, or monetary obligations of Agency.
- 18.3 Amendments.** The terms of this Grant may not be altered, modified, supplemented, or otherwise amended, except by written agreement of the Parties.
- 18.4 Notice.** Except as otherwise expressly provided in this Grant, any notices to be given under this Grant must be given in writing by email, personal delivery, or registered or certified mail, to a Party's Grant Administrator at the physical address or email address set forth in this Grant, or to such other addresses as either Party may indicate pursuant to this section. Any notice so addressed and mailed becomes effective five (5) days after mailing. Any notice given by personal delivery becomes effective when actually delivered. Any notice given by email becomes effective upon the sender's receipt of confirmation of delivery, either by return email or by demonstrating through other technological means that the email has been delivered to the recipient's email address.
- 18.5 Survival.** The provisions of this Grant which by their nature are intended to survive expiration or termination of this Grant (including, but not limited to, remedies and record-keeping) will survive.
- 18.6 Severability.** The Parties agree if any term or provision of this Grant is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected, and the rights and obligations of the Parties will be construed and enforced as if the Grant did not contain the particular term or provision held to be invalid.
- 18.7 Counterparts.** This Grant may be executed in several counterparts, all of which when taken together constitute one agreement, notwithstanding that all Parties are not signatories to the same

counterpart. Each copy of the Grant so executed constitutes an original.

- 18.8 Compliance with Law.** In connection with their activities under this Grant, the Parties must comply with all applicable federal, state, and local laws.
- 18.9 Intended Beneficiaries.** Agency and Grantee are the only parties to this Grant and are the only parties entitled to enforce its terms. Nothing in this Grant provides, is intended to provide, or may be construed to provide any direct or indirect benefit or right to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of this Grant.
- 18.10 Assignment and Successors.** Grantee may not assign or transfer its interest in this Grant without the prior written consent of Agency and any attempt by Grantee to assign or transfer its interest in this Grant without such consent will be void and of no force or effect. Agency's consent to Grantee's assignment or transfer of its interest in this Grant will not relieve Grantee of any of its duties or obligations under this Grant. The provisions of this Grant will be binding upon and inure to the benefit of the Parties hereto, and their respective successors and permitted assigns.
- 18.11 Contracts and Subgrants.** Grantee may not, without Agency's prior written consent, enter into any contracts or subgrants for any of the Project Activities required of Grantee under this Grant. Agency's consent to any contract or subgrant will not relieve Grantee of any of its duties or obligations under this Grant.
- 18.12 Time of the Essence.** Time is of the essence in Grantee's performance of the Project Activities under this Grant.
- 18.13 Records Maintenance and Access.** Grantee must maintain all financial records relating to this Grant in accordance with generally accepted accounting principles. In addition, Grantee must maintain any other records, whether in paper, electronic, or other form, pertinent to this Grant in such a manner as to clearly document Grantee's performance. All financial records and other records, whether in paper, electronic, or other form, that are pertinent to this Grant, are collectively referred to as "Records." Grantee acknowledges and agrees Agency, the Oregon Secretary of State's Office, the federal government, and their duly authorized representatives will have access to all Records to the extent permitted by law to perform examinations and audits and make excerpts and transcripts. Grantee must retain and keep accessible all Records for a minimum of six (6) years from closeout of Agency's NSP-1 grant from HUD, or such longer period as may be required by applicable law, following termination of this Grant, or until the conclusion of any audit, controversy, or litigation arising out of or related to this Grant, whichever date is later.
- 18.14 Fixed Assets.** Grantee must, and must cause its subgrantees to, maintain policies and procedures for the management of property and equipment that comply with all requirements of the applicable Code of Federal Regulations, 2 CFR Part 200, Subpart D, and specific requirements of the source of funds. The applicable federal regulations shall apply to all equipment purchased with Agency funding, regardless of source of funds. References in the federal regulations to a federal awarding entity shall be deemed a reference to Agency, and references to a non-federal entity shall be

deemed a reference to Grantee.

18.15 Headings. The headings in this Grant are for the purpose of reference only and do not limit or otherwise affect any of the terms hereof.

18.16 Grant Documents. This Grant consists of the following exhibits, which are incorporated by this reference:

- Exhibit A (the “Project Activities”)
- Exhibit B (Insurance)
- Exhibit C (Federal Terms and Conditions)
- Exhibit E (Federal Award Identification)
- Exhibit F (NSP Property Set-up)
- Exhibit G (Request for Funds)
- Exhibit H (Quarterly Report Template)

18.17 Merger, Waiver. This Grant and all exhibits and attachments, if any, constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations – oral or written – not specified herein regarding this Grant. No waiver or consent under this Grant binds either Party unless in writing and signed by both Parties. Such waiver or consent, if made, is effective only in the specific instance and for the specific purpose given.

SECTION 19: SIGNATURES

EACH PARTY, BY SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES IT HAS READ THIS GRANT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS. The Parties further agree that by the exchange of this Grant electronically, each has agreed to the use of electronic means, if applicable, instead of the exchange of physical documents and manual signatures. By inserting an electronic or manual signature below, each authorized representative acknowledges that it is their signature, that each intends to execute this Grant, and that their electronic or manual signature should be given full force and effect to create a valid and legally binding agreement.

IN WITNESS WHEREOF, the Parties have executed this Grant as of the dates set forth below.

STATE OF OREGON acting by and through its Housing and Community Services Department

By: _____
Phillip Andrews, Designated Procurement Officer

Date

Grant Administrator Approval

By: approved via email _____
Alycia Howell, Program Analyst

October 24, 2025 _____
Date

Clackamas County

By: _____
Authorized Signature

Date

Printed Name

Title

Approved for Legal Sufficiency in accordance with ORS 291.047

Not required under OAR 137-045-0030

EXHIBIT A PROJECT ACTIVITIES

Overview

This Exhibit A outlines the scope of activities authorized under the Neighborhood Stabilization Program One (NSP-1) as administered through this Grant. It defines key terms, establishes financial and programmatic procedures, and sets forth the expectations for eligible uses of funds, property standards, and compliance requirements. These provisions are intended to guide Grantee in the effective and compliant implementation of NSP-1 funded activities in alignment with federal regulations and the goals of neighborhood stabilization.

Grantee must use Grant Funds to acquire and redevelop demolished or vacant residential properties located within designated Neighborhood Stabilization Project One (“NSP-1”) target areas.

1. Definitions

1.1 Unless otherwise defined, the following definitions apply to the terms used in this Exhibit A :

Term	Definition
Abandoned Home and Abandoned Residential Property	A Home and/or Residential Property is abandoned when mortgage or tax foreclosure proceedings have been initiated for that property, no mortgage or tax payment has been made by the property owner for at least 90 days, and the property has been vacant for at least 90 days.
Activity	A way in which the funds granted to Grantee may be used under the Neighborhood Stabilization Program (“NSP”), including NSP-1.
Continued Affordability	NSP-1-assisted properties must remain affordable to individuals or families whose incomes do not exceed 120% (or 50% for certain units) of area median income, for the longest feasible term.

Term	Definition
Cost Reasonableness	Grantees providing purchase and rehabilitation assistance directly to homebuyers must certify that the assistance provided does not exceed the cost of rehabilitation and that the cost is deemed reasonable.
Current Market Appraised Value (CMAV)	The value of a Foreclosed Home or Residential Property established through an appraisal in conformance with the Uniform Relocation Act, completed within 60 days prior to a final offer.
Foreclosed Home or Foreclosed Residential Property	A property is considered foreclosed upon when, under state or local law, the foreclosure is complete and title has transferred from the former owner.
Grantee	A public or nonprofit agency receiving NSP-1 funds to undertake eligible Activities under HERA. A Grantees that is a Unit of General Local Government (UGLG) is considered “Subrecipient”.
Home	Any type of permanent residential dwelling unit, including single-family homes, townhouses, condos, multifamily apartments, and manufactured homes treated as real estate.
Low, Moderate, and Middle-Income (LMMI)	A household with income less than or equal to 120% of the area median income, as defined by HUD.
Program Income	Income received by Agency or generated by a Grantee directly from the use of NSP-1 funds, as defined in 24 CFR 570.500(a).

Term	Definition
Residential Property	Homes and Vacant Properties designated for residential use.
Vacant Property	Includes both vacant land and properties with vacant structures on the land. It should be noted that a property cannot be made vacant. In other words, a Grantee cannot encourage in any way a property owner to remove residential or commercial tenants to make the property vacant.

2. Disbursement and Financial Procedures

2.1 Disbursement of Funds / Payment Holds

2.1.1 Agency will disburse funds to Grantee only after the Grantee has returned a fully executed Grant.

2.1.2 Disbursement Methods

There are two methods of disbursement that will be used by Agency:

- **Reimbursement Method** – the Grantee will be reimbursed by Agency for actual, documented expenditures.
- **Cash Advance Method** – Agency will advance funds for acquisition Activities to access funds to purchase Foreclosed and Abandoned Homes and Residential Properties quickly. The Grantee must provide the following documentation to secure funds in advance of acquisition:
 - NSP Initial Property Set Up (Exhibit F)
 - Fully executed purchase agreement
 - Environmental Review
 - Declaration of Covenants
 - Settlement Statement
 - Request for Funds (Exhibit G)
 - Any other documentation or certification requested by Agency

Funds will be disbursed directly to Title Company for purchase transactions.

Funds requested to cover eligible non-purchase project costs and administrative costs must be disbursed using only the reimbursement method. Agency will disburse the Grant Funds using DISH upon receipt and approval of Grantee's Request for Funds.

- With each disbursement request, the Grantee must submit the documentation outlined in Exhibit G – Request for Funds.
- Grantee’s final request for disbursement must be received within 45 days of expiration or termination of this Grant.

2.1.3 Disbursement Requests

Grantee must request funds by using Agency’s NSP Initial Property Set-Up (Exhibit F) and the Request for Funds Form (Exhibit G). Funds will be disbursed to Grantee on a property-by-property basis for expenses. Disbursements must reflect only actual expenses. Grantee must upload the required form and supporting documentation to Procorem NSP WorkCenter (OHCS secure document portal).

2.1.4 Timing of Disbursements

Draw requests must be submitted to Agency using Procorem; processing days will be Monday through Friday, except for state observed holidays.

All draw requests must be reviewed and approved by Agency in accordance with the Grant. If the request is approved, payment will be processed and paid within 45 days of receiving a complete Request for Funds and supporting documentation.

2.1.5 Payment Holds

Agency reserves the right to place payments to Grantee on hold if the Agency determines, in its sole discretion, that Grantee has failed to perform or comply with Grant requirements, such as nonsubmission of required reports, or lack of progress. Should this occur, Agency staff will notify Grantee before the payment hold goes into effect. If the Grantee is unable to resolve the situation precipitating the payment hold, Agency reserves the right, at its sole discretion, to terminate the Grant.

2.2 Financial Management

2.2.1 Grantees must establish and maintain a financial management system for the Grant that complies with the requirements of:

- 2 CFR Part 200, Subpart D, including but not limited to §§ 200.302 (Financial Management), 200.303 (Internal Controls), and 200.305 (Federal Payment);
- 24 CFR Part 570, as applicable to the NSP-1, including §§ 570.500 and 570.504 regarding program income and financial records;
- The original and subsequent Federal Register Notices governing NSP, including 73 Fed. Reg. 58330, 74 Fed. Reg. 2933, and 81 Fed. Reg. 38730;
- And any additional guidance issued by HUD or OHCS related to NSP-1 financial management

2.2.2 Grantees’ financial management systems must:

- Provide accurate, current and complete information on the financial status of each Grant supported Activity.
- Be sufficiently detailed to generate status reports, by Activity and property that indicate:
 - funds budgeted;
 - amount obligated; and,

- amount expended.

2.2.3 All accounting documents must be supported by source documentation that may include but is not limited to payroll records, invoices or vouchers.

2.2.4 Activities funded by sources other than NSP-1 funds (including Program Income from other projects) must appear and be traceable in the financial management system.

2.2.5 All staff or employees paid in whole or in part with NSP-1 funds must prepare timesheets indicating the hours worked on all Activities, including NSP-1 Activities, per pay period. Payroll must be based upon these timesheets.

3. Program Income and Asset Management

3.1 Program Income and Reversion of Assets

3.1.1 Introduction

Program Income, generated through Activities from NSP-1 funds, must be accounted for, expended and reported in accordance with:

- section 2301(d)(4) of Housing and Economic Recovery Act (HERA),
- 24 CFR 570.500(a) (definitions of Program Income),
- 24 CFR 570.504 (Program Income requirements), and
- HUD and Agency guidelines.

Program Income must be transferred to Grantee's Community Development Block Grant Program ("CDBG") as approved by US Department of Housing and Urban Development (HUD) pursuant to the Federal Register notice published at 81 Fed. Reg. 38730 (June 14, 2016) and as described in the Grant.

3.1.2 Definition and Eligible Uses of Program Income

Program Income is defined as gross income (revenue) received by the Grantee directly generated from the use of NSP-1 funds. Program Income includes, but is not limited to, the following:

- Proceeds from the sale or lease of property acquired/redeveloped/rehabilitated with NSP-1 funds;
- Principal and interest payments on loans made from NSP-1 funds;
- Revenue returned by individuals or other entities that are not grantees; and
- Recaptures on sales of homes pursuant to enforcement of NSP-1 affordability requirements.

See 24 CFR 570.500(a)(1) for more examples of amounts that are treated as Program Income.

3.1.3 Program Income Plan

Grantee is allowed to use Program Income in accordance with the Grant and the CDBG regulations, including but not limited to 24 CFR 570.504, governing management and expenditure of Program Income.

4. Eligible and Ineligible Activities

4.1 Eligible Activities

4.1.1. Grantee Service Area

Grantee must administer NSP-1 funds and activities in its service area.

4.1.2 Redevelopment Activity (Activity E – Redevelop Demolished or Vacant Properties)

This Activity involves the redevelopment of demolished or vacant residential structures for the purpose of providing permanent housing.

4.1.2.1 General Terms under which assistance will be provided

- This Activity will redevelop demolished or Vacant Properties only for the purpose of providing permanent housing
- Redeveloped Homes or Residential Properties must meet applicable codes and standards and be affordable, as defined in 24 CFR § 92.252 and § 92.254.

4.1.2.2 National Objective

This Activity meets the HERA low, moderate and middle income (LMMI) national objective when it provides permanent residential structures that will be occupied by households with incomes at or below 120 percent of area median income, or when it serves an area in which at least 51 percent of the residents have incomes at or below that threshold, as defined in the Notice.

4.1.2.3 Activity Description

The main purpose of the NSP-1 program is to redevelop Abandoned and Foreclosed Homes. Commercial redevelopment will not be an eligible use of the Grant Funds in this Grant.

As practicable, redeveloped property shall remain affordable to individuals or families whose income does not exceed 120 percent of area median income, in accordance with NSP-1 regulations.

4.1.2.4 Location Description

Properties assisted under this Activity must be located within one of the priority targeted block groups. Contact Agency's Grant Administrator in Section 4.1 of the Grant for verification of potential properties to determine if in the NSP-1 target area.

4.1.2.5 Specific Activity Requirements

Investment of NSP-1 resources in properties located within the 100-year flood plain is discouraged. If NSP-1 funds are used for such properties, flood insurance must be maintained for the duration of ownership or affordability period, as applicable. New construction in a 100-year floodplain must have the lowest floor at least two feet above the Base Flood Elevation (BFE).

4.2 Ineligible Activities

4.2.1 Ineligible Activities include, but is not limited to:

Foreclosure prevention Activities such as:

- refinancing mortgages;
- paying back taxes or mortgage payments; and,
- underwriting counseling related expenses.

4.2.2 In addition, unless otherwise specifically stated, if an Activity is ineligible under the CDBG Program, it is ineligible under the NSP-1 Program.

5. Property Value, Affordability, and Rehabilitation

5.1 Maximum Sales Price and Property Value Limits

5.1.1 Maximum Sales Price

The maximum sales price for a property which will be owner occupied is determined by aggregating costs including, but not limited to:

- acquisition;
- rehabilitation and/or redevelopment;
- related Activity delivery costs; and,
- costs related to the sale of the property.

In determining the sales price, the following items may not be included:

- costs of boarding up a property;
- lawn mowing; and,
- costs of maintaining the property in a static condition.

Section 2301(d)(3) of HERA directs that, if a Foreclosed or Abandoned Home or Residential Property is purchased, redeveloped or otherwise sold to an individual as a primary residence, then such sale will be in an amount equal to or less than the cost to acquire and redevelop or rehabilitate such home or property up to a decent, safe and habitable condition. (Sales and closing costs are eligible NSP-1 redevelopment or rehabilitation costs.) The maximum sale price is determined by aggregating all costs of acquisition, rehabilitation and redevelopment (including related Activity delivery costs, which generally may include, among others items, costs related to the sale of the property).

5.2 Acquisition

5.2.1 The Acquisition Discount from Current Market Appraised Value for Foreclosed Homes and Residential Properties will be at minimum 1% per property.

5.2.2 If the anticipated value of the proposed acquisition is estimated at \$25,000 or less and the acquisition is voluntary, the Current Market Appraised Value of the property may be established by a valuation of the property that is based on a review of available data and is made by any person qualified to make the valuation.

All property acquisitions under this program must be voluntary transactions. Grantee must ensure that no property is acquired through eminent domain or other involuntary means.

5.2.3 Grantee will maintain a database of acquired properties, their market value, and the discount at purchase, and will be required to provide that data to Agency so that it can determine whether Agency and Grantee are meeting the minimum discount of 1% for properties acquired.

5.3 Continued Affordability

5.3.1 As stated in the Notice, Grantees shall ensure, to the maximum extent practicable and for the longest feasible term, that the sale, rental, or redevelopment of Foreclosed and Abandoned Homes and Residential

Properties under this section remain affordable to individuals or families whose incomes do not exceed 120 percent of area median income or, for units originally assisted with funds under the requirements of Section 2301(f)(3)(A)(ii) of HERA, remain affordable to individuals and families whose incomes do not exceed 50 percent of area median income.

For any project receiving more than \$40,000 in NSP-1 assistance, the minimum affordability period is 20 years.

5.3.2 Home Ownership Activities

For NSP-1 assisted housing used for home ownership, resale or recapture provisions will be placed against the property in the form of a use restriction and/or Deeds of Trust and Promissory Notes. Grantee must design its own recapture or resale provisions, which will be applied uniformly within its program.

NSP-1 funds that are used to acquire or rehabilitate a foreclosed upon single family property will be recaptured upon transfer of title or a refinance of said property. The recaptured NSP-1 investment, including Agency's portion of a shared appreciation loan, must be returned to Agency. Agency will use the recaptured funds for other approved NSP-1 eligible activities or return to the United States Treasury as outlined in the NSP-1 rules.

All homebuyers purchasing NSP-1 assisted properties must complete a minimum of eight (8) hours of homebuyer education from a qualified counseling agency. Grantee may require homebuyers to obtain this education at their own expense. Documentation of completion must be retained in the project file.

5.3.3 Continued Affordability

Grantee shall, and shall require their subrecipients to, comply with and monitor allowable mortgage loan guidelines to ensure that all assisted activities meet the national objective of benefiting LMMI persons, as defined in the NSP-1.

5.4 Rehabilitating Homes and Residential Properties

5.4.1 Agency's rehabilitation priorities include improving properties to meet code and encouraging appropriate energy efficiency components. Grantee must document how each project will meet the local standard (or HQS if there is no local standard), in addition to the rehabilitation standards included in Agency's NSP-1 Action Plan, within a specified time. Grantee must also ensure that all rehabilitation costs are reasonable and necessary, consistent with the definition of Cost Reasonableness provided in this Exhibit A. For more information regarding Cost Reasonableness see <https://www.govinfo.gov/content/pkg/FR-2013-12-26/pdf/2013-30465.pdf> Section § 200.404. For ineligible improvements under the NSP-1 Program, see Section 4.2 of this Exhibit A.

5.4.2 Rehabilitation

The following requirements apply to Homes and Residential Properties receiving NSP-1 funding for rehabilitation Activities:

Assessment

In addition to property assessment standards already required by local, state, and federal regulations, properties must also be assessed for the following:

- Any visible mold or water infiltration issues;
- Compliance with smoke detectors, carbon monoxide detection, and GFCI receptacle protection as noted below in Required Rehabilitation Activities; and

- Remaining life expectancy of major building components such as roof, siding, windows, mechanical systems and electrical systems, as well as any immediate cosmetic improvements necessary in order to sell or rent Homes and Residential Property.

The results of all assessment Activities must be disclosed to purchaser prior to sale.

Required Rehabilitation Activities

In addition to remediation of any deficiencies resulting from property assessment required by local, state, and federal regulations, rehabilitation Activities shall include the following:

- Conduct mold and/or water infiltration mitigation, if mold or water infiltration is observed during the assessment. Any moldy materials that cannot be properly cleaned must be removed.;
- U.L. approved smoke detection in all locations as required for new construction. At least one smoke detector must be hardwired (preferably located near sleeping rooms);
- GFCI receptacle protection in locations required for new construction; and
- Carbon Monoxide detection per 2006 legislation.

Any existing equipment, system, component, and/or appliance that remain in the property are exempt from this requirement.

Grantee is encouraged to use green building techniques and make all NSP-1 assisted properties more energy efficient. Providing visitability features which promote aging in place may also be considered.

Rehabilitation or stabilization of hazardous materials, including lead -based paint and asbestos, must be in accordance with applicable federal, state, and local laws, regulations, and ordinances.

5.4.3 Demolition

Where demolition occurs, the Grantee should consider deconstruction practices where deconstruction crews are available and a market for salvaged materials exists.

If a site will not be redeveloped within three months after demolition, the Grantee must ensure that soil on the site does not pose a health hazard to the community by either:

- verifying that the soil meets lead clearance levels,
- removing and replacing the soil with soil that meets clearance levels, or
- covering the soil with sod or some other barrier to prevent the disbursement of lead dust.

5.4.4 Environmental Reviews

Grantee must ensure that environmental reviews or assessments are completed in accordance with 24 CFR Part 58 for local governments and 24 CFR Part 50 for nonprofit organizations, as applicable.

Grantee must maintain a written record of the environmental review undertaken for each Activity. Grantee must conduct an environmental review before Agency can release funds for an Activity. Grantee cannot

commit NSP-1 or non NSP-1 funds, by way of contract or other agreement, or take any other action for NSP-1 funded Activities until an environmental determination has been made.

Environmental review must be conducted prior to fully executed Purchase and Sales Agreement, unless the following conditional contract language is included in sales agreement:

“Notwithstanding any other provision of this Contract, Purchaser shall have no obligation to purchase the Property, and no transfer of title to the Purchaser may occur, unless and until “Responsible Entity” (RE) has provided Purchaser and/or Seller with a written notification that: (1) it has completed a federally required environmental review and its request for release of federal funds has been approved and, subject to any other Contingencies in the Contract, (a) the purchase may proceed, or (b) the purchase may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or after the purchase of the property; or (2) it has determined that the purchase is exempt from federal environmental review and a request for release of funds is not required. RE shall use its best efforts to conclude the environmental review of the property expeditiously.”

6. Reporting, Monitoring, and Recordkeeping

6.1 Reporting Requirements

6.1.1 Types of Reports

Drawdown Request Report

Grantee is responsible for providing complete and accurate information on drawdown requests and documentation supporting these requests must be retained and available for review by Agency.

Quarterly Progress Reports

Agency requires regular progress reports from Grantee. These reports will track actual program outcomes, obligations, and spending patterns against planned operations and outcomes as specified in the Grant. Grantee must submit timely and accurate information in connection with Agency’s input to Disaster Recovery Grant reporting. Each report must include detailed information on the use of funds as outlined in the Quarterly Report Template (Exhibit H).

6.1.2 Performance Expectations and Benchmarks

Grantee is expected to demonstrate measurable progress toward neighborhood stabilization goals throughout the term of the Grant. This includes, but is not limited to:

- Timely obligation and expenditure of funds;
- Completion of redevelopment, rehabilitation, or acquisition activities; and
- Achievement of affordability outcomes in accordance with NSP-1 requirements.

Agency may establish performance benchmarks or timelines to assess Grantee’s progress. These benchmarks or timelines may be used to evaluate continued eligibility for funding, identify technical assistance needs, or inform decisions regarding the reallocation of funds.

6.2 Record Retention

Grantee is responsible for retention of financial records, supporting documents, statistical records, environmental review records and all other records pertaining to the project as outlined in Section 18.13 of the Grant.

7. Monitoring

Agency will examine Activity progress and compliance with the NSP-1 Program and other federal requirements and evaluate organizational and project performance.

Monitoring will occur during the Grant term as well as after the Grant term to enable Agency to determine program Activity, progress and compliance.

7.1 Types of Monitoring

7.1.1 Monitoring for Outcomes and Impact

Agency will monitor for substantial progress . Agency may consider reallocating funds if progress is insufficient in the obligating of funds. Reallocation of funds may occur at any time. Should reallocation of funds be necessary, Agency will reevaluate the target areas and progress reports submitted by all grantees to identify best opportunities for the redistribution of recaptured funds.

7.1.2 Onsite Monitoring

Grantee will be monitored onsite at least once during the term of the Grant. Onsite monitoring may include but is not limited to review of:

- Federal Objective
- Grant and Financial Management
- Activity
- Environmental
- Labor Standards
- Fair Housing/Equal Opportunity
- Lead Paint Remediation Activities
- Other information as applicable

7.1.3 Ongoing Monitoring

Agency's ongoing monitoring of Grantee may include but is not limited to:

- Quarterly Reports/Performance Measurements
- Disbursements Requests
- Labor Standards Notice of Awards and Final Reports
- Other information

Grantee is responsible for monitoring all program activities carried out by its subrecipients, developers, service contractors, or other entities engaged through formal agreements to ensure compliance with this Grant and all applicable NSP-1 requirements.

EXHIBIT B INSURANCE

INSURANCE REQUIREMENTS:

Grantee shall obtain at Grantee's expense the insurance specified in Exhibit B prior to performing under this Grant. Grantee shall maintain such insurance in full force and at its own expense throughout the duration of this Grant, as required by any extended reporting period or continuous claims made coverage requirements, and all warranty periods that apply. Grantee shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to Agency. All coverage shall be primary and non-contributory with any other insurance and self-insurance, with the exception of Professional Liability and Workers' Compensation. Grantee shall pay for all deductibles, self-insured retention, and self-insurance, if any.

If Grantee maintains broader coverage and/or higher limits than the minimums shown in this Exhibit, Agency requires and shall be entitled to the broader coverage and/or higher limits maintained by Grantee.

WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY:

All employers, including Grantee, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017, and provide Workers' Compensation Insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Grantee shall require and ensure that each of its subcontractors complies with these requirements. If Grantee is a subject employer, as defined in ORS 656.023, Grantee shall also obtain Employers' Liability insurance coverage with limits not less than \$500,000 each accident.

If Grantee is an employer subject to any other state's workers' compensation law, Contactor shall provide Workers' Compensation Insurance coverage for its employees as required by applicable workers' compensation laws including Employers' Liability Insurance coverage with limits not less than \$500,000 and shall require and ensure that each of its out-of-state subcontractors complies with these requirements.

As applicable, Grantee shall obtain coverage to discharge all responsibilities and liabilities that arise out of or relate to the Jones Act with limits of no less than \$5,000,000 and/or the Longshoremen's and Harbor Workers' Compensation Act.

COMMERCIAL GENERAL LIABILITY:

Grantee shall provide Commercial General Liability Insurance covering bodily injury and property damage in a form and with coverage that are satisfactory to the State of Oregon. This insurance must include personal and advertising injury liability, products and completed operations, contractual liability coverage for the indemnity provided under this Grant, and have no limitation of coverage to designated premises, project, or operation. Coverage must be written on an occurrence basis in an amount of not less than \$1,000,000 per occurrence and not less than \$2,000,000 annual aggregate limit.

AUTOMOBILE LIABILITY INSURANCE:

☒ **Required** ☐ **Not required**

Grantee shall provide Automobile Liability Insurance covering Grantee’s business use including coverage for all owned, non-owned, or hired vehicles with a combined single limit of not less than \$1,000,000 for bodily injury and property damage. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for Commercial General Liability and Automobile Liability). Use of personal Automobile Liability insurance coverage may be acceptable if evidence that the policy includes a business use endorsement is provided.

PROFESSIONAL LIABILITY:

☒ **Required** ☐ **Not required**

Grantee shall provide Professional Liability Insurance covering any damages caused by an error, omission or any negligent acts related to the services to be provided under this Grant by the Grantee and Grantee’s subcontractors, agents, officers or employees in an amount not less than \$2,000,000 per claim and not less than \$4,000,000 annual aggregate limit.

If coverage is provided on a claims made basis, then either an extended reporting period of not less than 24 months shall be included in the Professional Liability insurance coverage, or the Grantee shall provide Continuous Claims Made coverage as stated below.

NETWORK SECURITY AND PRIVACY LIABILITY:

☒ **Required** ☐ **Not required**

Grantee shall provide Network Security and Privacy Liability Insurance for the duration of this Grant and for the period of time in which Grantee (or its business associates or subcontractor(s)) maintains, possesses, stores, or has access to Agency or client data, whichever is longer, with a combined single limit of not less than \$1,000,000 per claim or incident. This insurance must include coverage for third party claims and for losses, thefts, unauthorized disclosures, access or use of Agency or client data (which may include, but is not limited to, Personally Identifiable Information (“PII”), Payment Card Data and Protected Health Information (“PHI”)) in any format, including coverage for accidental loss, theft, unauthorized disclosure access or use of Agency data.

DIRECTORS, OFFICERS, AND ORGANIZATION LIABILITY:

☒ **Required** ☐ **Not required**

Grantee shall provide Directors, Officers and Organization Liability Insurance covering the Grantee’s Organization, Directors, Officers, and Trustees actual or alleged errors, omissions, negligent, or wrongful acts, including improper governance, employment practices and financial oversight - including improper oversight and/or use of grant funds and donor contributions which includes state or federal funds - with a combined single limit of not less than \$1,000,000 per claim.

CRIME PROTECTION COVERAGE: EMPLOYEE DISHONESTY or FIDELITY BOND:

☒ **Required** ☐ **Not required**

Grantee shall provide Employee Dishonesty or Fidelity Bond coverages for dishonest acts of an employee of the Grantee. Coverage limits not less than \$ 1,000,000.

POLLUTION LIABILITY:

☒ **Required** ☐ **Not required**

Grantee shall provide Pollution Liability Insurance covering Grantee's or appropriate subcontractor's liability for bodily injury, property damage and environmental damage resulting from sudden accidental and gradual pollution and related cleanup costs incurred by Grantee, all arising out of the goods delivered or Services (including transportation risk) performed under this Grant is required with a combined single limit per occurrence not less than \$500,000 and not less than \$1,000,000 annual aggregate limit.

An endorsement to the Commercial General Liability or Automobile Liability policy, covering Grantee's or subcontractor's liability for bodily injury, property damage and environmental damage resulting from sudden accidental and gradual pollution and related clean-up cost incurred by the Grantee that arise from the goods delivered or Services (including transportation risk) performed by Grantee under this Grant is also acceptable.

EXCESS/UMBRELLA INSURANCE:

A combination of primary and Excess/Umbrella Insurance may be used to meet the required limits of insurance. When used, all of the primary and Excess or Umbrella policies must provide all of the insurance coverages required herein, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Excess or Umbrella or policies must be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, must be called upon to contribute to a loss until the Grantee's primary and excess liability policies are exhausted.

If Excess/Umbrella Insurance is used to meet the minimum insurance requirement, the Certificate of Insurance must include a list of all policies that fall under the Excess/Umbrella insurance.

ADDITIONAL INSURED:

All liability insurance, except for Workers' Compensation, Professional Liability, Directors and Officers Liability and Network Security and Privacy Liability (if applicable), required under this Grant must include an Additional Insured endorsement specifying the State of Oregon, its officers, employees, and agents as Additional Insureds, but only with respect to Grantee's activities to be performed under this Grant. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

Regarding Additional Insured status under the General Liability policy, Agency requires Additional Insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to Grantee's activities to be performed under this Grant. The Additional Insured endorsement with respect to liability arising out of Grantee's ongoing operations must be on, or at least as broad as, ISO Form CG 20 10 and the Additional Insured endorsement with respect to completed operations must be on, or at least as broad as, ISO form CG 20 37.

WAIVER OF SUBROGATION:

Grantee shall waive rights of subrogation which Grantee or any insurer of Grantee may acquire against the Agency or State of Oregon by virtue of the payment of any loss. Grantee shall obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not Agency has received a Waiver of Subrogation endorsement from the Grantee or the Grantee's insurer(s).

CONTINUOUS CLAIMS MADE COVERAGE:

If any of the required liability insurance is on a claims made basis and does not include an extended reporting period of at least 24 months, then Grantee shall maintain continuous claims made liability coverage, provided

the effective date of the continuous claims made coverage is on or before the effective date of the Grant, for a minimum of 24 months following the later of:

- (i) Grantee 's completion and Agency's acceptance of all Services required under the Grant, or
- (ii) Agency or Grantee termination of this Grant, or
- (iii) The expiration of all warranty periods provided under this Grant.

CERTIFICATE(S) AND PROOF OF INSURANCE:

Grantee shall provide to Agency Certificate(s) of Insurance for all required insurance before delivering any goods and performing any Services required under this Grant. The Certificate(s) of Insurance must list the State of Oregon, its officers, employees, and agents as a Certificate holder and as an endorsed Additional Insured. The Certificate(s) of insurance must also include all required endorsements or copies of the applicable policy language effecting coverage required by this Grant. If Excess/Umbrella Insurance is used to meet the minimum insurance requirement, the Certificate(s) of Insurance must include a list of all policies that fall under the Excess/Umbrella Insurance. As proof of insurance, Agency has the right to request copies of insurance policies and endorsements relating to the insurance requirements in this Exhibit.

NOTICE OF CHANGE OR CANCELLATION:

Grantee or its insurer must provide at least 30 calendar days' written notice to Agency before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

INSURANCE REQUIREMENT REVIEW:

Grantee agrees to periodic review of insurance requirements by Agency under this Grant and to provide updated requirements as mutually agreed upon by Grantee and Agency.

STATE ACCEPTANCE:

All insurance providers are subject to Agency acceptance. If requested by Agency, Grantee shall provide complete copies of insurance policies, endorsements, self-insurance documents and related insurance documents to Agency's representatives responsible for verification of the insurance coverages required under this Exhibit B.

EXHIBIT C FEDERAL TERMS AND CONDITIONS

1. FEDERAL FUNDS

1.1. If specified below, Agency's payments to Grantee under this Grant will be paid in whole or in part by funds received by Agency from the United States federal government. If so specified then Grantee, by signing this Grant, certifies neither it nor its employees, contractors, subcontractors, or subgrantees who will perform the Project activities are currently employed by an agency or department of the federal government.

Payments ☒ will ☐ will not be made in whole or in part with federal funds.

1.2. In accordance with the State Controller's Oregon Accounting Manual, policy 30.40.00.104, Agency has determined:

☒ Grantee is a subrecipient ☐ Grantee is a contractor ☐ Not applicable

1.3. Catalog of Federal Domestic Assistance (CFDA) #(s) of federal funds to be paid through this Grant: 14.218.

2. FEDERAL PROVISIONS

2.1. The use of all federal funds paid under this Grant are subject to all applicable federal regulations, including the provisions described below.

2.2. Grantee must ensure that any further distribution or payment of the federal funds paid under this Grant by means of any contract, subgrant, or other agreement between Grantee and another party for the performance of any of the activities of this Grant, includes the requirement that such funds may be used solely in a manner that complies with the provisions of this Grant.

2.3. Grantee must include and incorporate the provisions described below in all contracts and subgrants that may use, in whole or in part, the funds provided by this Grant.

2.4. Grantee must comply, and ensure the compliance by contractors or subgrantees, with 41 U.S.C. 4712, Program for Enhancement of Employee Whistleblower Protection. Grantee must inform subrecipients, contractors and employees, in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 USC § 4712.

In accordance with Appendix II to 2 CFR Part 200 – Grantee is subject to the following provisions, as applicable.

For purposes of these provisions, the following definitions apply:

"Contract" means this Grant or any contract or subgrant funded by this Grant.

"Contractor" and **"Subrecipient"** and **"Non-Federal entity"** mean Grantee or Grantee's contractors or subgrantees, if any.

(A) Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by [41 U.S.C. 1908](#), must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under [41 CFR Part 60](#), all contracts that meet the definition of “federally assisted construction contract” in [41 CFR Part 60-1.3](#) must include the equal opportunity clause provided under [41 CFR 60-1.4\(b\)](#) and other applicable implementing regulations at [41 CFR part 60](#), “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

(D) Davis-Bacon Act, as amended ([40 U.S.C. 3141-3148](#)). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act ([40 U.S.C. 3141-3144](#), and [3146-3148](#)) as supplemented by Department of Labor regulations ([29 CFR Part 5](#), “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act ([40 U.S.C. 3145](#)), as supplemented by Department of Labor regulations ([29 CFR Part 3](#), “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act ([40 U.S.C. 3701-3708](#)). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with [40 U.S.C. 3702](#) and [3704](#), as supplemented by Department of Labor regulations ([29 CFR Part 5](#)). Under [40 U.S.C. 3702](#) of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of [40 U.S.C. 3704](#) are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under [37 CFR § 401.2 \(a\)](#) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of [37 CFR Part 401](#), “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

(G) Clean Air Act ([42 U.S.C. 7401-7671q](#).) and the Federal Water Pollution Control Act ([33 U.S.C. 1251-1387](#)), as amended - Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act ([42 U.S.C. 7401-7671q](#)) and the Federal Water Pollution Control Act as amended ([33 U.S.C. 1251-1387](#)). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689) - A contract award (see [2 CFR 180.220](#)) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at [2 CFR 180](#) that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(I) Byrd Anti-Lobbying Amendment ([31 U.S.C. 1352](#)) - Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by [31 U.S.C. 1352](#). Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See §200.323 Procurement of recovered materials: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.323>.

(K) See § 200.216 Prohibition on certain telecommunications and video surveillance services or equipment: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-C/section-200.216>.

(L) See § 200.322 Domestic preferences for procurements: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.322>.

Grantee is subject to the following provisions, as applicable.

(A) Audits.

- i. Contractor must comply, and require any subcontractor to comply, with applicable audit requirements and responsibilities set forth in this Contract and applicable state or federal law.

- ii. If Contractor receives federal awards in excess of \$1,000,000 in a fiscal year, Contractor is subject to audit conducted in accordance with the provisions of 2 CFR part 200, subpart F. Copies of all audits must be submitted to Agency within 30 days of completion.
- iii. Contractor must save, protect and hold harmless Agency from the cost of any audits or special investigations performed by the Secretary of State with respect to the funds expended under this Contract. Contractor acknowledges and agrees that any audit costs incurred by Contractor as a result of allegations of fraud, waste or abuse are ineligible for reimbursement under this or any other agreement between Contractor and State.

(B) System for Award Management. Grantee must comply with applicable requirements regarding the System for Award Management (SAM), currently accessible at <https://www.sam.gov>. This includes applicable requirements regarding registration with SAM, as well as maintaining current information in SAM. Grantee also must comply with applicable restrictions on subawards ("subgrants") to first-tier subrecipients (first-tier "subgrantees"), including restrictions on subawards to entities that do not acquire and provide (to the Grantee) the unique entity identifier required for SAM registration.

3. ADDITIONAL FEDERAL REQUIREMENTS

In addition to the federal provisions already incorporated into this Grant, the following terms and conditions apply specifically to the use of funds authorized under the Housing and Economic Recovery Act of 2008 (HERA), Public Law 110-289, for the NSP-1:

3.1. HUD Waiver and Alternative Requirements. Pursuant to Section 2301(d)(1) of HERA, the U.S. Department of Housing and Urban Development (HUD) has the authority to waive or modify statutory and regulatory provisions of the CDBG program (excluding fair housing, nondiscrimination, labor standards, and environmental requirements) to expedite the use of NSP-1 funds. Grantee must comply with all such waivers and alternative requirements as published in the Federal Register or issued by HUD.

3.2 Voluntary Acquisition Requirement. All property acquisitions funded under this Grant must be voluntary. Grantee must not use eminent domain or any other involuntary means to acquire property with NSP-1 funds. Grantee must ensure that all acquisition activities comply with applicable HUD guidance and Uniform Relocation Act (URA) requirements.

3.3 Post-Closeout Use of Program Income Transfers. Program income may be transferred to the CDBG program if HUD has approved the transfer in writing, in accordance with the Federal Register notice published at 81 Fed. Reg. 38730 (June 14, 2016).

**EXHIBIT D
(RESERVED)**

EXHIBIT E**FEDERAL AWARD IDENTIFICATION
(Required by 2 CFR 200.332(b) (1))**

(i) Grantee name: <i>(must match name associated with UEI)</i>	Clackamas County
(ii) Grantee's Unique Entity Identifier (UEI): NVWKAVB8JND6	X8YVLH4AUKA7
(iii) Federal Award Identification Number (FAIN):	B-08-DN-41-0001
(iv) Federal award date: <i>(date of award to state by federal agency)</i>	3/4/2009
(v) Grant period of performance start and end dates:	Start: 7/1/2025 End: 6/30/2028
(vi) Grant budget period start and end dates:	Start: 7/1/2025 End: 6/30/2028 (Program Income funds expire when all funds have been expended).
(vii) Amount of federal funds obligated by this Grant:	\$227,785.38
(viii) Total* amount of federal funds obligated to Grantee by pass-through entity**, including this Grant:	\$815,106.68
(ix) Total* amount of the federal award committed to Grantee by pass-through entity: <i>(amount of federal funds from this FAIN committed to Grantee)</i>	\$227,785.38
(x) Federal award project description:	Neighborhood Stabilization
(xi) a. Federal awarding agency:	HUD
b. Name of pass-through entity:	Oregon Housing and Community Services Department
c. Contact information for awarding official of pass-through entity:	Name: Alycia Howell Email: alycia.howell@hcs.oregon.gov
(xii) Assistance listings number and title.	Number: 14.218 Title: COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS Amount: \$19,600,000.00
(xiii) Is federal award research and development:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
(xiv) a. Indirect cost rate for the federal award:	15%
b. Is the de minimis rate being used per §200.414?	Yes <input type="checkbox"/> No <input type="checkbox"/>

*The total amount is limited to the current state fiscal year (July 1 to June 30).

**The term "pass-through entity" refers to OHCS.

EXHIBIT F
NSP PROPERTY SET-UP

Neighborhood Stabilization Program (NSP)

Initial Property Set Up

Oregon Housing and Community Services (OHCS)
725 Summer Street NE, Suite B
Salem, OR 97301
Phone: 503-986-2109



For each property eligible for funding under the Oregon Neighborhood Stabilization Program (NSP) the following information must be provided to Oregon Housing and Community Services (OHCS).

Property Address for NSP Application:

Property Address			
City	State	Zip	County

NSP Activity: Check all that apply:

- ☐ Acquisition
- ☐ Redevelopment/Rehabilitation
- ☐ Other (Please describe: _____)

Property Status: (Please Check to Verify)

- ☐ Property is a Bona Fide Foreclosed or vacant Single-Family Home/Property

Property Information:

Purchase Price: (for buyer driven transactions / acquisitions)		\$	
Purchase Price Discount Percentage _____%		Date of Final Offer _____	
Appraised Value:	As is Appraisal _____	Date of Appraisal _____ (within 60 days prior to Final Offer)	Proposed Closing Date _____
	Subject to Plans and Spec's _____ <input type="checkbox"/> N/A		

Projected Budget

Proposed Property Budget/Total Property Costs	Budget
Acquisition/Purchase Price	
Rehabilitation Cost	
Soft Costs (e.g. architectural, legal, developer fee, construction management, etc)	
Other (Please Specify)	
Total	

Proposed Use of NSP Funds

Proposed Property Budget/Total Property Costs	NSP Funds Requested
Rehabilitation Assistance	
Closing Costs (estimated aggregate amount)	
Other (Please Specify)	
Total	

--	--

Property Purchase/Sale Information and Financing:

Was there a bona fide tenant in the property at the time of foreclosure? <div style="text-align: center;"> <input type="checkbox"/> yes <input type="checkbox"/> no </div>	If yes, do you or the successor in interest have documentation that complies with NSP's 90 day tenant notice? <div style="text-align: center;"> <input type="checkbox"/> yes <input type="checkbox"/> no </div>	If no, are you assuming the responsibilities for any penalties that may be required? <div style="text-align: center;"> <input type="checkbox"/> yes <input type="checkbox"/> no </div>
URA Seller Notification Delivered? <input type="checkbox"/> yes <input type="checkbox"/> no		

Certify the above information is accurate to the best of your knowledge.

Signature	Date
Signature	Date
Signature of Lender	Date

Exhibit G Request for Funds

Oregon Housing & Community Services Neighborhood Stabilization Program

NSP ____ (1, 2 or 3) REQUEST FOR FUNDS FORM

Subrecipient Name & Address:	Date of Request:
	Invoice No.:
	Contract No.:
Federal Tax ID#	Contract Expiration Date:
	Billing Period: From _____ To _____
Contact Name and Phone Number for billing questions:	
Agency (OHCS) Contact Name: Alycia Howell, OHCS NSP, 725 Summer Street NE, Suite B, Salem, OR 97301-1266. Phone: 971-701-9317. Email: alycia.howell@hcs.oregon.gov	
Project Name:	

NSP SUMMARY REPORT			
CASH STATUS REPORT	A. Admin Funds	B. Program Funds	C. Total Funds
1. NSP Funds Received from OHCS to date			
2. Total Gross Disbursements to date (GF & PI)			
3. LESS: Program Income			
4. Net Disbursements to date (line 2 less line 3)			

5. Balance of Cash on Hand –total program income received to date			
GRANT FUND STATUS REPORT			
6. Total NSP Grant Funds Received from OHCS to date			
7. Total Expenses this invoice			
8. Amount credited against Program Income: this invoice			
9. Total PI expended to date			
10. Total Grant Funds Available To Date			
11. NSP Program Income Funds Available For Request (line 5 less line 9)			

FOR AGENCY USE	
APPROVED FOR PAYMENT OHCS	<hr/> <p>Reviewed & Approved for Payment by Program Coordinator/Contract Administrator Date</p>
	<hr/> <p>Approved for funds by Asst. Director of Homeownership Programs Date</p>

NSP DETAIL REPORTS**DATE:** _____

ADMINISTRATIVE FUNDS *Source documentation such as executed payroll and time records, invoices, contracts, vouchers, orders, canceled checks must be attached to this detail report. Indirect costs are not allowed. For travel expenses please indicate purpose of travel, mileage and itineraries.*

ITEMIZED COSTS FOR NSP REIMBURSEMENT	Amount Requested (\$)
Personnel Costs	
Travel and Training	
Supplies, Rent and Other Administrative Costs	
Consultant and Professional Fees	
Affirmative Marketing	
Environmental Review	
CURRENT REQUEST FOR NSP ADMINISTRATIVE FUNDS (must match Col A, Line 9 of Summary Report)	

PROGRAM FUNDS *This table should be completed for each individual assisted property. If you are requesting funds for more than one property, please make copies of this table. Attach source documentation for the itemized expenses listed below.*

ASSISTED PROPERTY INFORMATION

Property Address:	
City, County:	
Legal Description:	

ACTIVITY DESCRIPTION (circle one):

Activity: E

_____ < 50% AMI or _____ ≥ 50% and ≤ 120% AMI

ITEMIZED COSTS FOR NSP REIMBURSEMENT (Identify each expenditure that funds are requested to reimburse. Attach additional pages if necessary)	Amount Requested (\$)
CURRENT REQUEST FOR NSP PROGRAM FOR THIS PROPERTY ADDRESS ONLY	
ATTACHMENTS	

Unless otherwise authorized by OHCS in writing, the following is the minimum information that OHCS requires for each property assisted under an NSP grant. If an item is not applicable, mark N/A. Please submit the information with the completed Funds Request Form to your Procorem WorkCenter (OHCS secure document portal). Do not submit private and confidential information by email.

OHCS GRANT #PO-91400- 00054680 (OHCS #9121) – Neighborhood Stabilization Program One (NSP-1)

- ☐ Copy of target area Google Map (OHCS created)
- ☐ Final HUD-1 signed/certified by agent
- ☐ Copy of Deed of Trust
- ☐ Copy of Affordability Period documentation (if not recaptured funds)
- ☐ Copy of executed NSP Note
- ☐ Copy of executed Purchase Agreement
- ☐ Copy of executed Voluntary Acquisition addendum
- ☐ Copy of executed Disclosure to Seller of Fair Market Value Addendum
- ☐ Copy of executed Lead Paint Addendum if built before 1978
- ☐ Racial, ethnic and gender characteristics of primary occupant (1003 acceptable)
- ☐ Number of occupants in unit (1003 acceptable)
- ☐ HUD Part 5 (verification of total household income) and percentage AMI
- ☐ Homebuyer 8 hour training certificate
- ☐ Appraisal Report signed by appraiser (do not need comps, pictures or maps) with As-Is value
- ☐ HQS Inspection Report
- ☐ Pest and Dry Rot Inspection (if not on HQS)
- ☐ Signed Certification of Lender Compliance
- ☐ Copy of Trustees Deed

If rehabilitation is involved, please submit the following:

- ☐ List of repairs or scope of work with copy of paid receipt or cancelled check

CERTIFICATIONS

- I/we certify that the above information and the enclosed attachments and source documentation are accurate and complies with all terms, conditions and requirements of our OHCS NSP Grant Agreement.
- I/we certify that the required Environmental Reviews have been completed and approved for all projects and activity (including administrative activity). The entire environmental review record is in our grant file for inspection by OHCS.
- I/we certify that the properties assisted with NSP funds are bona fide foreclosures as evidenced by a Trustee's Deed in our possession.
- I/we have determined that the NSP funds requested will cover costs that are allowable under the OHCS NSP Grant Agreement and OMB Circular A-87.

Preparer Signature

X_____

(Required)

Date

Authorized Signature

X_____

(Required)

(Must be authorized on Project Signature Card)

Date

Authorized Signature

X_____

(Required)

(Must be authorized on Project Signature Card)

Date

Exhibit H Quarterly Report Template

Oregon Housing & Community Services Neighborhood Stabilization Program - Quarterly Program Report Form

NAME OF SUBRECIPIENT Circle one of the following: NSP- 1 2 3	QUARTER ENDING: <input type="checkbox"/> December 31 <input type="checkbox"/> March 31 <input type="checkbox"/> June 30 <input type="checkbox"/> September 30
NAME & PHONE OF PERSON PREPARING REPORT:	
Program 1 & 3: Due NLT 20 th of each quarter Program 2: Due NLT 5 th of each Quarter	

Please attach additional pages if needed

Brief summary of current quarter activity:

Activities Performed During Quarter:

Activity E:

- List properties acquired during current quarter.
 - 1.
 - 2.
 - 3.
- List properties previously acquired and current status.
 - 1.
 - 2.
 - 3.
- List properties sold/rented include amount of program income received.

	\$ <u> </u>	<u> </u>
Address	Total Amount	Date Received
	\$ <u> </u>	<u> </u>
Address	Total Amount	Date Received
	\$ <u> </u>	<u> </u>
Address	Total Amount	Date Received

Financial Assistance Application Lifecycle Form

Use this form to track your potential award from conception to submission.

Sections of this form are designed to be completed in collaboration between department program and fiscal staff.

If renewal or direct appropriation, complete sections I, II, IV & V only. Section III is not required.

If Disaster or Emergency Relief Funding, EOC will need to approve prior to being sent to the BCC

****CONCEPTION****

Section I: Funding Opportunity Information - To Be Completed by Requester

Direct Appropriation (no application)

Award type:

Subrecipient Award

☒ Direct Award

Award Renewal?

Yes

☒ No

Lead Fund # and Department:	240-H3S-HCDD
Name of Funding Opportunity:	Neighborhood Stabilization Program

Funding Source: ☐ Federal – Direct ☒ Federal – Pass through ☐ State ☐ Local

Requestor Information: (Name of staff initiating form)	Mark Sirois
Requestor Contact Information:	marksir@clackamas.us 503-351-7240
Department Fiscal Representative:	Darren Chilton
Program Name & Prior Project #: (please specify)	OHCS Neighborhood Stabilization Program

Brief Description of Project:

NSP funding was created in 2008 during the financial housing crisis and mirrored the Community Development Block Grant (CDBG) program requirements. OHCS administered three rounds of NSP through which it allocated the funding to local jurisdictions that could award the funds to eligible projects. In 2025 Oregon Housing and Community Services has remaining funding available from the Neighborhood Stabilization Program (NSP) that Clackamas County may request for eligible housing re-development projects situated in NSP Map areas within Clackamas County. Clackamas County Housing and Community Development Division (HCDD) was awarded these funds in the past, for down payment assistance, and rehabilitation projects. HCDD will request these funds to re-develop eligible properties that are part of the Housing Authority of Clackamas County Disposition Project.

Name of Funding Agency: State Of Oregon - Housing and Community Services Department

Notification of Funding Opportunity Web Address: https://www.hud.gov/program_offices/comm_planning/nsp

OR

Application Packet Attached: ☒ Yes ☐ No

Completed By: Mark Sirois

Date: 3/25/2025

**** NOW READY FOR SUBMISSION TO DEPARTMENT FISCAL REPRESENTATIVE ****

Section II: Funding Opportunity Information - To Be Completed by Department Fiscal Rep

Competitive Application

☒ Non-Competing Application

Other

Assistance Listing Number (ALN), if applicable:	14.218	Funding Agency Award Notification Date:	email on January 10, 2025
Announcement Date:	NA	Announcement/Opportunity #:	NA
Grant Category/Title	Neighborhood Stabilization Program	Funding Amount Requested:	\$1,093,892
Allows Indirect/Rate:	NA	Match Requirement:	NA
Application Deadline:	NA	Total Project Cost:	\$1,093,892
Award Start Date:	When grant award is signed	Other Deadlines and Description:	NA
Award End Date:	When funds are expended		
Completed By:	NA	Program Income Requirements:	Program Income returned to fund other eligible activities
Pre-Application Meeting Schedule:	NA		

Additional funding sources available to fund this program? Please describe:

These NSP funds will be part of the overall budget to redevelop HACC disposition housing units

How much General Fund will be used to cover costs in this program, including indirect expenses?

None

How much Fund Balance will be used to cover costs in this program, including indirect expenses?

None

In the next section, limit answers to space available.

Section III: Funding Opportunity Information - To Be Completed at Pre-Application Meeting by Dept Program and Fiscal Staff

Fiscal

1. Are there other revenue sources required, available, or will be used to fund the program? Have they already been secured? Please list all funding sources and amounts.

None

2. For applications with a match requirement, how much is required (in dollars) and what type of funding will be used to meet it (CGF, In-kind, local grant, etc.)?

NA

3. Does this grant/financial assistance cover indirect costs? If yes, is there a rate cap? If no, can additional funds be obtained to support indirect expenses and what are those sources?

Administration funds can cover indirect costs

4. Does the grant/financial assistance fund an existing program? If yes, which program? If no, what is the purpose of the program?

These funds will be part of the overall redevelopment of the HACC Disposition and redevelopment of housing units

Organizational Capacity:

1. Does the organization have adequate and qualified staff? If no, can staff be hired within the grant/financial assistance funding opportunity timeframe?

YES. HCDD administers NSP and CDBG funds.

2. Are there partnership efforts required? If yes, who are we partnering with and what are their roles and responsibilities?

N/A - funding passed through to the Community Development Agency which is under the Housing and Community Development Division of the Health Housing and Human Services Department. HACC will provide these funds to a non-profit housing developer to complete the redevelopment work.

3. If this is a pilot project, what is the plan for sun setting the project and/or staff if it does not continue (e.g. making staff positions temporary or limited duration, etc.)?

Not a pilot project

4. If funded, would this grant/financial assistance create a new program, does the department intend for the program to continue after initial funding is exhausted? If yes, how will the department ensure funding (e.g. request new funding during the budget process, supplanted by a different program, etc.)?

No new program

Collaboration

1. List County departments that will collaborate on this award, if any.

Health, Housing and Human Services and community non-profit housing developers

Reporting Requirements

1. What are the program reporting requirements for this grant/funding opportunity?

Oregon State Housing Services (OHCS) will report accomplishments to HUD. Clackamas County HCDD will provide expenditure reports to OHCS. Reporting requirements will be detailed in the grant agreement

2. How will performance be evaluated? Are we using existing data sources? If yes, what are they and where are they housed? If not, is it feasible to develop a data source within the grant timeframe?

Reporting requirements will be detailed in the grant agreement

3. What are the fiscal reporting requirements for this funding?

Reporting requirements will be detailed in the grant agreement

Mission/Purpose:

1. How does the grant/funding opportunity support the Department and/or Division's Mission/Purpose/Goals?

This NSP grant funding will assist in completing H3S and Housing Authority goals to redevelop housing

2. Who, if any, are the community partners who might be better suited to perform this work?

NA

3. What are the objectives of this funding opportunity? How will we meet these objectives?

Affordable housing construction and redevelopment

Other information necessary to understand this award, if any.

NA

Program Approval:

Mark Sirois

4-8-2025

Mark Sirois

Name (Typed/Printed)

Date

Signature

**** NOW READY FOR PROGRAM MANAGER SUBMISSION TO DIVISION DIRECTOR****

****ATTACH ANY CERTIFICATIONS REQUIRED BY THE FUNDING AGENCY. COUNTY FINANCE OR ADMIN WILL SIGN****

Section IV: Approvals

DIVISION DIRECTOR (or designee, if applicable)

Shannon Callahan

Apr 16, 2025


Shannon Callahan (Apr 16, 2025 15:23 PDT)

Name (Typed/Printed)


Date

Signature

DEPARTMENT DIRECTOR (or designee, if applicable)

Denise Swanson

Apr 16, 2025


Denise Swanson (Apr 16, 2025 17:45 PDT)

Name (Typed/Printed)

Date

Signature

FINANCE ADMINISTRATION

Elizabeth Comfort

Apr 16, 2025



Name (Typed/Printed)

Date

Signature

EOC COMMAND APPROVAL (WHEN NEEDED FOR DISASTER OR EMERGENCY RELIEF APPLICATIONS ONLY)

Name (Typed/Printed)

Date

Signature

Section V: Board of County Commissioners/County Administration

(Required for all grant applications. If your grant is awarded, all grant awards must be approved by the Board on their weekly consent agenda regardless of amount per local budget law 294.338.)

For applications \$150,000 and below:

COUNTY ADMINISTRATOR	Approved:	Denied:
Name (Typed/Printed)	Date	Signature

For applications up to and including \$150,000 email form to BCC staff at CA-Financialteam@clackamas.us for Gary Schmidt's approval.

For applications \$150,000.01 and above, email form with Staff Report to the Clerk to the Board at ClerktotheBoard@clackamas.us to be brought to the consent agenda.

BCC Agenda item #: 20250508 II.B.1

Date: 05/08/2025

OR

Policy Session Date:



County Administration Attestation

County Administration: re-route to department at
and
Grants Manager at financegrants@clackamas.us
when fully approved.

Department: keep original with your grant file.